

Utah Counties Indemnity Pool Board of Directors Meeting

Thursday, April 18, 2019, 12:30 p.m. UCIP Offices, 5397 S Vine St, Murray, UT

12:30	Open Meeting, Pledge of Allegiance	Bruce Adams
ITEM	ACTION	and the second second
1.	Welcome and Introductions	Bruce Adams
2.	Review/Excuse Board Members Absent	Bruce Adams
3.	Review/Approve February 21, 2019 Meeting Minutes	Karla Johnson
4.	Ratification/Approval of Payments and Credit Card Transactions	Karla Johnson
5.	Actuarial Report—Review/Approve Actuarial Reserve Analysis Lisa Denr	ison, Johnnie Miller
6.	Audit Committee Report—Review/Approve 2018 Financial Audit	Karla Johnson
7.	Reinsurance Report—Review/Approve Property Plus Program Phil	Bell, Johnnie Miller
8.	Review/Approve Excess Crime Limit Increase	Johnnie Miller
9.	Review/Approve First Quarter 2019 Financial Statements	Sonya White
10.	Review/Approve Bylaws Amendment—Late Contribution Payment	Sonya White
11.	Review/Approve Utah County Access to LocalGovU Agreement	Johnnie Miller
12.	Review/Approve County Related Entities Membership	Mike Wilkins
13.	Set Date and Time for Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual	Bruce Adams
14.	Action on Personnel Matters	Bruce Adams
15.	Set Date and Time for Closed Meeting to Discuss Pending or Reasonably Imminent Litigati	on Bruce Adams
16.	Action on Litigation Matters	Dale Eyre
17.	Garfield County Data Ransom Claim	Johnnie Miller
	INFORMATION	
18.	AGRIP Governance and Leadership Conference Report Dale	Eyre, Karla Johnson
19.	Chief Executive Officer's Report	Johnnie Miller
20.	Strategic Planning Schedule Review	Sonya White
21.	Other Business	Bruce Adams

Electronic Meeting Notice: 515-604-9807, Participant Passcode: 675642 Anchor Location: 5397 S Vine St, Murray, UT

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Entity: Utah Counties Indemnity Pool

Body: Board of Directors

Subject: Administrative Services

Notice Title: Board of Directors Meeting

Meeting Location: 5397 S Vine St

Murray 84107

Event Date & Time: April 18, 2019

April 18, 2019 12:30 PM - April 18, 2019 03:30 PM

Description/Agenda:

Open Meeting, Pledge of

Allegiance

Welcome and Introductions

Review/Excuse Board Members Absent

Review/Approve February 21, 2019 Meeting Minutes Ratification/Approval of Payments and Credit Card

Transactions

Actuarial Report-Review/Approve Actuarial Reserve

Analysis

Audit Committee Report-Review/Approve 2018 Financial

Audit

Reinsurance Report-Review/Approve Property Plus

Program

Review/Approve Excess Crime Limit Increase

Review/Approve First Quarter 2019 Financial

Statements

Review/Approve Bylaws Amendment-Late Contribution

Payment

Review/Approve Utah County Access to LocalGovU

Agreement

Review/Approve County Related Entities Membership Set Date and Time for Closed Meeting to Discuss

Character, Professional Competence, Physical/Mental

Health of an Individual

Action on Personnel Matters

Set Date and Time for Closed Meeting to Discuss

Pending or Reasonably Imminent Litigation

Action on Litigation Matters

Garfield County Data Ransom Claim

AGRIP Governance and Leadership Conference Report

Chief Executive Officer's Report Strategic Planning Schedule Review Other Business

Notice of Special Accommodations:	In compliance with the Americans with Disabilities Act, individuals needing special accommodations (including auxiliary communicative aids and services) during this meeting should notify Sonya White at the Utah Counties Indemnity Pool, 5397 S Vine St, Murray, UT 84107-6757, or call 801-565-8500, at least three days prior to the meeting.		
Notice of Electronic or telephone participation:	Any Member of the Utah Counties Indemnity Pool Board of Directors may participate telephonically.		
Other information:			
Contact Information:	Sonya White (801)307-2113 sonya@ucip.utah.gov		
Posted on:	February 20, 2019 08:37 AM		
Last edited on:	April 16, 2019 12:02 PM		

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BOARD OF DIRECTORS' MEETING MINUTES

April 18, 2019, 12:30 p.m.

UAC/UCIP Building, 5397 S Vine, Murray, Utah

BOARD MEMBERS PRESENT

Bruce Adams, *President*, San Juan County Commissioner William Cox, *Vice President*, Rich County Commissioner Deb Alexander, Davis County Human Resources Director

Blaine Breshears, Morgan County Sheriff Dean Cox, Washington County Commissioner

Dale Eyre, Sevier County Attorney

Jim Kaiserman, Wasatch County Surveyor Bob Stevenson, Davis County Commissioner Mark Whitney, Beaver County Commissioner Mike Wilkins, Uintah County Clerk/Auditor

BOARD MEMBERS PRESENT TELEPHONICALLY

Karla Johnson, Secretary/Treasurer, Kane County Clerk/Auditor

BOARD MEMBERS ABSENT

Alma Adams, Iron County Commissioner Scott Jenkins, Weber County Commissioner

OTHERS PRESENT

Johnnie Miller, UCIP Chief Executive Officer Sonya White, UCIP Chief Financial Officer Alex Getts, UCIP Education & Training Specialist

Phil Bell, County Reinsurance Limited

Lisa Dennison, By The Numbers Actuarial Consulting, Inc.

Call to Order

Bruce Adams called the meeting of the Utah Counties Indemnity Pool's Board of Directors to order at 12:30 p.m. on April 18, 2019 and welcomed those in attendance, including Phil Bell of County Reinsurance Limited (CRL) and Lisa Dennison of By The Numbers Actuarial Consulting (BYNAC). Adams led the Pledge of Allegiance.

Review/Excuse Board Members Absent

Jim Kaiserman made a motion to excuse Alma Adams and Scott Jenkins from this meeting. Deb Alexander seconded the motion, which passed unanimously.

Review/Approve February 21, 2019 Meeting Minutes

The draft minutes of the Board of Directors meeting held February 21, 2019 were previously sent to the Board Members for review (see attachment number one). Dean Cox made a motion to approve the February 21, 2019 Board of Directors meeting minutes as written. Bob Stevenson seconded the motion, which passed unanimously.

Ratification/Approval of Payments and Credit Card Transactions

Dean Cox reported that he had reviewed the payments made, the payments to be made and the credit card transactions of the Pool as of April 18, 2019 (see attachment number two). Dean Cox made a motion to approve the payments made, the payments to be made and the credit card transactions as presented. Bob Stevenson seconded the motion, which passed unanimously.

Actuarial Report—Review/Approve Actuarial Reserve Analysis

Lisa Dennison presented on the Actuarial Reserve Analysis for the year ending 2018 (see attachment number three). The findings of the estimated required reserves are expressed in terms of ranges that indicate the reliance on assumptions believed to be reasonable. The required reserves should be used for the financial statements. The reserves, including incurred but not reported (IBNR) loss, undiscounted for investment income and broken down by line of coverage for a total expected loss of \$9,270,000, an increase of \$374,688 from the prior year (page 3). Dennison provided exhibits from the analysis showing:

1) a comparison on the estimated retained losses by paid, case and IBNR, trending from 2005 to 2018 for all lines of coverages (page 6); 2) a comparison of the losses to the prior actuarial report (page 7); 3) the history of required reserves (page 65); and the historical profitability (page 68). Dennison reviewed the loss ratios (page 70) with the Board and reported that for every dollar spent in contributions, \$0.57 is spent on claims. The combined (losses plus expenses divided by member contributions) loss ratio of the Pool is 1.021. Reinsurance is UCIP's largest expense. Bob Stevenson asked why contributions decreased between the years 2012–2015. Johnnie Miller explained that Carbon, Tooele and Utah Counties left the Pool, resulting in the decrease of member contribution. Mike Wilkins made a motion to approve the 2018 Actuarial Reserve Analysis as presented. William Cox seconded the motion, which passed unanimously.

Audit Committee Report—Review/Approve 2018 Financial Audit

Mike Wilkins reported that the Audit Committee met with the independent auditors of Larson & Company to review the draft 2018 financial statements, independent auditor's report, required supplementary information and other independent auditor's reports of the Pool (see attachment number four). Wilkins reported that the auditors had no findings or recommendations over the compliance and internal controls of the Pool. Wilkins reported that the audit committee directed UCIP's Chief Financial Officer, Sonya White, to allocate short-term investments with long-term investments instead of cash on the cash and cash equivalents exhibit in the Management's Discussion and Analysis (page 8). UCIP's change in net position for 2018 is \$990,894 for a total net position of \$5,912,053. Karla Johnson made a motion to approve the 2018 Financial Audit as presented. Bob Stevenson seconded the motion, which passed unanimously.

Reinsurance Report—Review/Approve Property Plus Program

Phil Bell, Executive Director, County Reinsurance Limited (CRL), provided information about the Pool's member owned reinsurer (see attachment number five). Bell explained the reason behind and the benefits of a new CRL program for members called Property Plus. Property Plus will allow members to increase the value of their equity by taking an additional ten percent of the \$50 million, excess of \$3 million, property layer. Actuaries have evaluated loss information and structure options to facilitate proforma financial statements and member contribution examples, and Bell provided summary charts with the results. The goal of the CRL Board of Directors is to start the program on July 1, 2019 with a minimum of \$20 million member contributions necessary to fund the program. CRL already has commitments from four CRL members at a minimum of \$15 million. Johnnie Miller stated that money put into CRL Property Plus will add to the equity UCIP already owns. Mike Wilkins likened the creation of this program to the genesis of UCIP, wherein several counties provided subordinated debentures to start the Pool. Dean Cox asked whether the CRL Property Plus program was worth the risk to UCIP. Miller explained that the CRL Board and its Committees and actuaries have worked extensively with CRL staff to provide its members with this new program and option to earn additional equity with limited risk to the contributed equity. Bell explained the probability of success increases because with the efficient operation of CRL, it can realize higher operating income taking risk in the layer than the current reinsurers as CRL's administrative expense ratio is significantly lower than the standard market reinsurer. Cox stated that he would like to get an opinion from the Attorney General to confirm that the program complies with the Money Management Act. Dale Eyre explained that there would be no need to get an opinion from the Attorney General because UCIP would be paying contribution into CRL to self-insure property up to a layer of \$50 million instead of the current layer of \$3 million. Miller confirmed that the CRL Property Plus program is not an investment program regulated by the Money Management Act, but it is instead a program to retain additional risk to stabilize reinsurance costs and potentially increase operating results. Dean Cox asked

why UCIP doesn't take a higher self-insured retention with CRL. Miller explained that he has had the actuary and CRL look into options for the Pool to increase their current self-insured retention from \$250,000. Miller reported that in reviewing the potential savings of higher SIR options, the risk to UCIP equity did not offset the potential premium savings. Miller indicated he would work with the actuary and CRL to present higher SIR options to the Board at their next meeting. Miller explained that the CRL Property Plus program allows UCIP to retain additional risk, but at a higher level of loss which significantly reduces the risk to UCIP, which protects UCIP's equity much better than retaining risk at a lower loss level. Miller explained that from a liquidity standpoint, UCIP is in a position to contribute \$500,000 to the CRL Property Plus program. Dean Cox asked to confirm the current UCIP assets to determine if contributing additional equity in CRL would create a liquidity concern. Miller referred back to the financial audit reports which showed total current (liquid) assets of \$13,811,044 at year's end, and as \$5,912, 053 was net equity and another \$9,350,613 was reserved for claims, much of which was reserves for liability claims which will take many years to be paid out, which is the basis of his belief that UICP could contribute \$500,000 to CRL Property Plus without liquidity concerns, and that the board could consider an even higher amount of contribution without liquidity concern. The program would also provide a new revenue source when dividends are paid to CRL Property Plus participants. Contributions would be shown as a long-term investment on UCIP's financial statements, along with the other equity UCIP has in CRL. Bob Stevenson questioned whether or not this is a good time for UCIP to contribute to the Property Plus program. Miller explained that with the additional gains in UCIP's Net Position over that last two to three years, taking some additional risk of the type created by participating in CRL Property Plus conforms with the Board's current Asset Management Plan to increase UCIP's Net Position, where that was not the case five years ago when UCIP had lower leverage ratios. Miller explained that many of the CRL members have requested that the CRL Board research options for members to benefit by the profitability of CRL and the creation of this program answers those requests. Dean Cox stated that he was uncomfortable making a decision at this time. Mark Whitney stated that he was comfortable with the program, but felt it was fair for the new Board members to be able to review all the pertinent information before voting on the matter. Bob Stevenson made a motion to contribute a minimum \$500,000 up to a maximum \$1,000,000 toward the CRL Property Plus program, pending Board approval to join the program. Mark Whitney seconded the motion, which passed unanimously.

Review/Approve Excess Crime Limit Increase

Johnnie Miller reported on the Excess Crime Limit Increase (see attachment number six). Since the last meeting, Miller was able to meet with the Money Management Council regarding their interpretation of the limit counties must have for crime coverage. The Council determined that the limit is based on all monies handled through the office of the Treasurer, including taxes collected, deposited in fiduciary accounts and then distributed to other taxing entities. Pursuant to this determination, Miller reported that Davis, Weber and Washington Counties would need \$10 million limits for crime coverage. Miller recommended increasing UCIP's current excess crime policy, for all members, to \$10 million by securing an additional excess crime policy providing \$7,500,000 excess of the current \$2,500,000 policy, at the quoted premium of \$31,702 annually. Dean Cox made a motion to approve increasing the Excess Crime Limit for all UCIP members to \$10 million by securing the quoted policy of Great American Insurance as presented. Deb Alexander seconded the motion, which passed unanimously.

Review/Approve First Quarter 2019 Financial Statements

Sonya White presented the first quarter 2019 financial statements to the Board (see attachment number seven). White reported that at the end of the first quarter, as stated on the Balance Sheet, assets totaled \$17 million, an increase of \$4 million from the prior quarter due to 2019 member contributions received. Investments increased \$350,000 from the year ended 2018 due to the equity increase in County Reinsurance Limited and the reclassification of long-term to short-term investments. Total assets of the Pool at quarter end are \$21,432,472. Liabilities of the Pool include loss reserves, accrued expenses, unearned contributions and pension liabilities. The detail of income and expense on the Income Statement indicates total Net Position of the Pool at quarter end of \$6,630,595, a change of \$718,541 from year ended 2018. The cash effects during the reporting period are reported on the Statement of Cash Flows. Cash and cash equivalents at the end of the first quarter 2019 was \$15,681,663. Mike Wilkins made a motion to approve the 2019 First Quarter Financial Statements as presented. William Cox seconded the motion, which passed unanimously.

Review/Approve Bylaws Amendment-Late Contribution Payment

Johnnie Miller reported on the Bylaws Amendment—Late Contribution Payment (see attachment number eight). Miller reported that at the February 21, 2019 meeting, the Board waived late fees accrued by members not paying their contribution timely. The Board directed an implementation of a minimum late fee of \$10.00. Dean Cox made a motion to approve the Bylaws Amendment—Late Contribution Payment as presented. Deb Alexander seconded the motion, which passed unanimously.

Review/Approve Utah County Access to LocalGovU Agreement

Johnnie Miller reported that he had not heard from Utah County regarding access to LocalGovU by agreement. Miller suggested this item be addressed when the commission responds to the proposed agreement.

Review/Approve County Related Entities Membership

Mike Wilkins provided a membership application summary report for the Multi-County Appraisal Trust (see attachment number nine). Upon the recommendation of the Membership Committee and UCIP staff, Karla Johnson made a motion to approve the membership of the Multi-County Appraisal Trust in the Utah Counties Indemnity Pool. Dale Eyre seconded the motion, which passed unanimously.

Set Date and Time for Closed Meeting

Deb Alexander made a motion to Set Date and Time for a Closed Meeting to Discuss Pending or Reasonably Imminent Litigation on Thursday, April 18, 2019 at 2:55 p.m. Dale Eyre seconded the motion, which passed unanimously. Board Members participating in the closed meeting were: Bruce Adams, William Cox, Karla Johnson, Deb Alexander, Blaine Breshears, Dean Cox, Dale Eyre, Jim Kaiserman, Bob Stevenson, Mark Whitney, and Mike Wilkins. Also present were: Johnnie Miller, Sonya White, Alex Getts, and Phil Bell. Jim Kaiserman left the meeting prior to adjournment and therefore did not participate in the closed meeting.

The regular meeting resumed on Thursday, April 18, 2019, at 3:20 p.m.

Action on Litigation Matters

Dale Eyre made a motion authorizing an offer of judgement in the matter of MIL0001002016 in the amount of \$301,000. Deb Alexander seconded the motion, which passed unanimously.

Dale Eyre made a motion authorizing payment in the matter of GAROOOOO32019 in the amount discussed during the closed session to discuss pending or reasonably imminent litigation. Mike Wilkins seconded the motion, which passed unanimously.

Garfield County Data Ransom Claim

This item was discussed during the closed session to discuss pending or reasonably imminent litigation.

AGRIP Governance and Leadership Conference Report

Dale Eyre and Karla Johnson reported on the AGRIP Governance and Leadership Conference, which was held in St. Louis, MO March 3-6, 2019. Johnson reported on training sessions she attended, one specifically involving computer risk and the danger it poses to voter fraud. Eyre reported that the information was timely and stressed the need to pay attention to what is happening in the market. Eyre also took note of the preparation other Pool board members put into their meetings.

Chief Executive Officer's Report

Johnnie Miller provided the Board with historical industry financial ratios (see attachment number 11):

- UCIP's net contribution to surplus ratio is currently at 75%. This ratio has decreased from a high in 2014 of 135%. Industry recommended is 200% or lower.
- UCIP's retention to surplus ratio is currently at four percent. Industry recommended is 10% or lower.
- UCIP's reserves to surplus ratio is currently at 158%. This ratio has decreased from a high in 2014 of 351%. Industry recommended is 300% or lower.
- · UCIP's loss ratio including IBNR (incurred but not reported losses) is currently 55%. Industry recommended is 100% or lower.
- · UCIP's combined loss ratio is 99%. Industry recommended is 100% or lower.

Non-equity member contributions have more than doubled since the Pool expanded eligibility. Unfortunately, the loss ratio for non-equity members has more than tripled from 56.4% in 2014 to 184.1% in 2018 for a five-year combined loss ratio of 94.5%.

Johnnie Miller reported that he and Sonya White met with WCF Insurance representatives for UCIP's joint purchase program annual report. Miller summarized the report for the Board showing charted claims frequency and cost trending, claims frequency by type of injury and cost, the two-year comparison by member frequency and cost. WCF Insurance has announced an eight percent dividend to members in 2019, based on audited 2018 premium.

Johnnie Miller reported to the Board current projects he and staff are working on:

- Working with the County Attorneys Association and the Governor's Office to draft a personal use policy in response to HB163.
- · Board Strategic Planning Session preparation.
- Developing the Statewide Fraud Hotline.
- Training Workshops Preparation (Facility Management, Fair and Events, Human Resources, Planning and Zoning, Risk Management).
- 2020 Underwriting Process

Strategic Planning Schedule Review

Sonya White presented the Board with a tentative schedule for the Board Strategic Planning sessions that will be held June 19–21, 2019 at the Capitol Reef Resort in Wayne County.

Set Date and Time for Closed Meeting

Deb Alexander made a motion to Set Date and Time for a Closed Meeting to Discuss Character, Professional Competence, Physical/Mental Health of an Individual on Thursday, April 18, 2019 at 3:53 p.m. Dale Eyre seconded the motion, which passed unanimously. Board Members participating in the closed meeting were: Bruce Adams, William Cox, Karla Johnson, Deb Alexander, Blaine Breshears, Dean Cox, Dale Eyre, Bob Stevenson, Mark Whitney and Mike Wilkins.

The regular scheduled meeting resumed on April 18, 2019, at 4:35 p.m.

Action on Personnel Matters

Bob Stevenson made a motion to approve a salary of \$210,000 annually for the Chief Executive Officer of the Pool, Johnnie Miller, effective July 1, 2019. Deb Alexander seconded the motion, which passed unanimously.

Other Business

The next meeting of the Board of Directors will be held Friday, June 21, 2019 at 8:30 a.m. at the Capitol Reef Resort, 2600 E Highway 24, Torrey, Utah.

Bob Stevenson made a motion to adjourn the meeting of the Utah Counties Indemnity Pool Board of Directors at 4:40 p.m. on April 18, 2019. Deb Alexander seconded the motion, which passed unanimously.

Prepared by:		4	Somul	White
S	onya		1	ancial Officer
Submitted on this	21	day of ₋	June	2019
minhy w.	w	Man		
,		Mik	e Wilkins, B	oard Member
Approved on this	1	day of	June	_ 2019

UTAH COUNTIES INDEMNITY POOL Payments and Credit Card Transactions February 22 - April 18, 2019

Date	Transaction Type	Num	Name	Memo/Description	Amount
500-000000	-10010100 ZionsMLC				
02/26/2019	Check	ACH	Durham Jones & Pinegar	Invoice: 657692	-2,252.50
02/26/2019	Check	ACH	Durham Jones & Pinegar	Invoice: 657691	-4,101.00
02/26/2019	Check	ACH	Mylar Law, PC	Invoice: 00208	-9,460.73
02/26/2019	Check	ACH	Mylar Law, PC	Invoice: 00207	-5,400.73
02/26/2019	Check	ACH	Mylar Law, PC	Invoice: 00206	
02/26/2019	Check	ACH	Stirba. PC	Invoice: 0101424630	-1,354.00
02/26/2019	Check	ACH	Emery County	Claim: EME0000192019	-4,256.00
02/26/2019	Check	ACH	Millard County	Claim: MIL0000212019	-1,442.96
02/27/2019	Check	BILLPAY	Uintah County		-642.61
02/27/2019	Check	BILLPAY		Claim: UIN0000052019	-3,743.95
02/27/2019	Check		Greg Anderson	Claim: WEB0005562019	-254.83
03/01/2019	Check	BILLPAY	Nycole Durfey	Claim: WAY0000242019	-566.43
		ACH	Mylar Law, PC	Invoice: 00217	-3,636.50
03/05/2019	Check	BILLPAY	Tamara Hokanson	Voided - Stop Payment Confirmation: 731180	0.00
03/12/2019	Check	ACH	Beaver County	Claim: BEA0000092019	-1,679.65
03/12/2019	Check	ACH	Box Elder County	Claim: BOX0000042019	-2,564.00
03/12/2019	Check	ACH	Hutton Law Associates, PC	Invoice: 00346	-19,400.00
03/12/2019	Check	ACH	Mylar Law, PC	Invoice: 00222	-4,383.00
03/12/2019	Check	ACH	Mylar Law, PC	Invoice: 00220	-2,950.00
03/12/2019	Check	ACH	Mylar Law, PC	Invoice: 00219	-15,003.00
03/12/2019	Check	ACH	Suitter Axland	Invoice: 12907912	-723.73
03/12/2019	Check	ACH	Suitter Axland	Invoice: 1290757	-192.96
03/12/2019	Check	ACH	Suitter Axland	Invoice: 1290760	-6,197.03
03/12/2019	Check	ACH	Suitter Axland	Invoice: 1290756	-2,969.70
03/12/2019	Check	ACH	Suitter Axland	Invoice: 1290754	-7,970.84
03/12/2019	Check	ACH	Suitter Axland	Invoice: 1290752	-425.20
03/12/2019	Check	BILLPAY	Company	Invoice: 43A3PF809	-8,533.35
03/12/2019	Check	BILLPAY	Siegfried & Jensen	Claim: WHS0000392019	-10,000.00
03/18/2019	Expense			STOP PAYMENT FEE	-9.00
03/19/2019	Check	ACH	Weber County	Claim: WEB0000812019	
03/19/2019	Check	ACH	Tamara Hokanson	Claim: WAS0000312019	-2,804.07
03/21/2019	Check	ACH	Goebel Anderson PC	Invoice: 3491	-2,493.81
03/21/2019	Check	ACH	Goebel Anderson PC		-516.00
03/21/2019	Check	ACH	Mylar Law, PC	Invoice: 3486	-5,418.00
03/21/2019	Check	ACH	Mylar Law, PC	Invoice: 00228	-2,502.00
03/21/2019	Check	ACH		Invoice: 00229	-2,459.00
03/21/2019	Check		Mylar Law, PC	Invoice: 00227	-4,410.75
03/21/2019		ACH	Mylar Law, PC	Invoice: 00221	-6,970.00
	Expense	****	Zions Bank	SERVICE AND TRANSACTION FEES	-54.00
03/29/2019	Check	ACH	Durham Jones & Pinegar	Invoice: 661606	-4,931.00
03/29/2019	Check	ACH	Durham Jones & Pinegar	Invoice: 661603	-5,246.19
03/29/2019	Check	ACH	Durham Jones & Pinegar	Invoice: 661601	-9,380.14
03/29/2019	Check	ACH	Mylar Law, PC	Invoice: 00234	-7,869.34
03/29/2019	Check	ACH	Mylar Law, PC	Invoice: 00233	-4,914.14
03/29/2019	Check	ACH	Frontier Adjusters, Inc.	Invoice: T797591	-1,521.10
03/29/2019	Check	ACH	Eisenberg Cutt Kendell & Olson, LLC	Claim: PIU0000082017	-5,000.00
03/29/2019	Check	ACH	Wayne County	Claim: WAY0000082019	-12,413.13
04/02/2019	Check	BILLPAY	Rocky Mountain Power	Claim: 6561555	-1,432.75
04/09/2019	Check	ACH	Hutton Law Associates, PC	Invoice: 00348	-25,545.00
04/09/2019	Check	ACH	Hutton Law Associates, PC	Invoice: 00347	-510.00
04/09/2019	Check	ACH	Mylar Law, PC	Invoice: 00236	-7,303.97
04/09/2019	Check	ACH	Suitter Axland	Invoice: 1290860	-9,007.36
04/09/2019	Check	ACH	Suitter Axland	Invoice: 1290859	-1,479.15
04/09/2019	Check	ACH	Suitter Axland	Invoice: 1290858	-1,940.00
04/09/2019	Check	ACH	Suitter Axland	Invoice: 1290856	-2,925.00
04/09/2019	Check	ACH	Suitter Axland	Invoice: 1290855	-8,300.00
04/09/2019	Check	ACH	Suitter Axland	Invoice: 1290854	4-60/09/2005
04/09/2019	Check	ACH	Suitter Axland		-2,280.49
04/09/2019	Check	ACH		Invoice: 1290851	-200.67
04/09/2019	Check		Suitter Axland	Invoice: 1290850	-2,080.60
		ACH	Suitter Axland	Invoice: 1290849	-1,335.00
04/09/2019	Check	ACH	Duchesne County	Claim: DUC0000262019	-1,605.01
04/09/2019	Check	ACH	Millard County	Claim: MIL0000032019	-10,277.80
04/09/2019	Check	ACH	Sevier County	Claim: SEV0000202019	-374.95
04/09/2019	Check	ACH	Andrea Woodring	Claim: WEB0000822019	-2,002.67
04/09/2019	Check	ACH	Moon Lake Electric Assn.	Claim: DUC0001562019	-2,523.14
04/10/2019	Check	BILLPAY	Company	Invoice: 43A3PF809	-283.00
04/16/2019	Check	ACH	Goebel Anderson PC	Invoice: 3646	-2,664.00
04/16/2019	Check	ACH	Goebel Anderson PC	Invoice: 3181	-4,086.00
04/16/2019	Check	ACH	Goebel Anderson PC	Invoice: 3642	-360.00
					555.00

				100000000000000000000000000000000000000	-11,850.45
04/16/2019	Check	ACH	Goebel Anderson PC	Invoice: 3643 Invoice: 3644	-2,214.00
04/16/2019	Check	ACH	Goebel Anderson PC Mylar Law, PC	Invoice: 00241	-11,986.50
04/16/2019	Check	ACH ACH	Mylar Law, PC Mylar Law, PC	Invoice: 00239	-3,974.00
04/16/2019	Check	ACH	Mylar Law, PC	Invoice: 00240	-3,577.93
04/16/2019	Check	ACH	Beaver County	Claim: BEA0000102019	-1,857.30
04/16/2019	Check	ACH	Duchesne County	Claim: DUC0000282019	-2,022.88
04/16/2019	Check	ACH	Duchesne County	Claim: DUC0000272019	-728.00
04/16/2019	Check	ACH	Gridley, Ward & Hamilton	Claim: MOR0000462014	-674,000.00
04/18/2019	Check	BILLPAY	Enterprise Rent-A-Car, Inc.	Invoice: IAG4709	-101.43
04/18/2019	Check	BILLPAY	Enterprise Rent-A-Car	Invoice: 14118719	-3,114.35
	-000000-10010100 Zions	MLC			-\$ 998,065.54
500-000000-	10010100 ZionsMLE				4 075 74
02/27/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 02/16/2019-02/28/2019 02/16/2019 to 02/28/2019	-4,975.71
02/27/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 02/16/2019-02/28/2019 02/16/2019 to 02/28/2019	-600.00 -2,437.79
02/27/2019	Payroll Check	DD	Korby M. Siggard	Pay Period: 02/16/2019-02/28/2019 02/16/2019 to 02/28/2019	-1,362.29
02/27/2019	Payroll Check	DD	Marty L. Stevens	Pay Period: 02/16/2019-02/28/2019 02/16/2019 to 02/28/2019	-1,149.60
02/27/2019	Payroll Check	DD	Alexander F. Getts	Pay Period: 02/16/2019-02/28/2019 02/16/2019 to 02/28/2019	-2,365.82
02/27/2019	Payroll Check	DD	Sonya J. White	Pay Period: 02/16/2019-02/28/2019 02/16/2019 to 02/28/2019 EFT ACKNOWLEDGEMENT NUMBER: 270945970377623	-4,856.88
02/27/2019	Tax Payment	Accesses a tr	IRS		-192.25
02/28/2019	Check	ACH	PEHP-LTD	Agency: 1076 Confirmation: 0-173-155-456	-1,790.53
02/28/2019	Tax Payment		UT State Tax Commission	Invoice: 0122668078	-7,815.17
02/28/2019	Check	ACH	Public Employees Health Program Utah Retirement Systems	Confirmation: 012834100897	-9,653.48
02/28/2019	Check	5299	Nationwide Retirement Solutions	Entity: 0036786001	-2,532.99
02/28/2019	Check	ONLINE	Alexander F. Getts	Expense Reimbursement	-124.74
03/01/2019	Check	ACH	Korby M. Siggard	Expense Reimbursement	-27.00
03/01/2019	Check	ACH ACH	Karla Johnson	Board Meeting Reimbursement	-324.54
03/01/2019	Check	ACH	By The Numbers Actuarial Consulting, Inc.	Invoice: 2019-070	-7,000.00
03/01/2019	Bill Payment (Check) Bill Payment (Check)	ACH	Les Olson Company	Invoice: EA838660	-33.01
03/05/2019	Check	BILLPAY	Bob Stevenson	Board Meeting Reimbursement	-16.74
03/05/2019	Check	BILLPAY	Scott Jenkins	Board Meeting Reimbursement	-47.52
03/08/2019	Bill Payment (Check)	ONLINE	American Express	3-41009	-4,476.16
03/12/2019	Bill Payment (Check)	ACH	County Reinsurance, Limited	Property True Up	-18,146.00
03/12/2019	Bill Payment (Check)	ACH	Gallagher Bassett Services, Inc.	Invoice: 15345	-96.00
03/12/2019	Bill Payment (Check)	ACH	Goebel Anderson PC	Invoice: 3490	-403.50
03/12/2019	Bill Payment (Check)	ACH	Larson & Company	Invoice: 22422862	-16,128.75
03/12/2019	Bill Payment (Check)	ACH	Whitney Advertising & Design, Inc.	Invoice: 25623	-1,750.64
03/12/2019	Bill Payment (Check)	BILLPAY	State of Utah Mail	Invoice: L8219338	-63.75
03/14/2019	Payroll Check	DD	Alexander F. Getts	Pay Period: 03/01/2019-03/15/2019 03/01/2019 to 03/15/2019	-1,400.42
03/14/2019	Payroll Check	DD	Sonya J. White	Pay Period: 03/01/2019-03/15/2019 03/01/2019 to 03/15/2019	-2,365.81
03/14/2019	Payroll Check	DD	Marty L. Stevens	Pay Period: 03/01/2019-03/15/2019 03/01/2019 to 03/15/2019	-1,695.81
03/14/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/01/2019-03/15/2019 03/01/2019 to 03/15/2019	-4,975.71 -600.00
03/14/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/01/2019-03/15/2019 03/01/2019 to 03/15/2019	-2,437.79
03/14/2019	Payroll Check	DD	Korby M. Siggard	Pay Period: 03/01/2019-03/15/2019 03/01/2019 to 03/15/2019	-4,999.56
03/14/2019	Tax Payment		IRS	EFT ACKNOWLEDGEMENT NUMBER: 270947343661920	-863.78
03/15/2019	Check	ACH	Johnnie R. Miller	Expense Reimbursement	-35.00
03/18/2019	Bill Payment (Check)	BILLPAY	TCNS, Inc.	Invoice: 7425 SERVICE AND TRANSACTION FEES	-111.28
03/21/2019	Expense		Zions Bank	Invoice: 0122694218	-7,815.17
03/22/2019	Check	ACH	Public Employees Health Program	AGRIP Expense Reimbursement	-1,016.88
03/22/2019	Check	ACH	Karla Johnson	AGRIP Expense Reimbursement (Eyre)	-804.63
03/22/2019	Check	ACH	Sevier County	Invoice: EA842806	-61.14
03/22/2019	Bill Payment (Check) Bill Payment (Check)	ACH ACH	Les Olson Company Revco Leasing Company, LLC	Invoice: 524425	-235.47
03/22/2019		BILLPAY	Sonya J. White	Expense Reimbursement	-193.98
03/26/2019	Check	DD	Marty L. Stevens	Pay Period: 03/16/2019-03/31/2019 03/16/2019 to 03/31/2019	-1,529.04
03/28/2019	Payroll Check Payroll Check	DD	Korby M. Siggard	Pay Period: 03/16/2019-03/31/2019 03/16/2019 to 03/31/2019	-2,437.79
03/28/2019	Payroll Check	DD	Sonya J. White	Pay Period: 03/16/2019-03/31/2019 03/16/2019 to 03/31/2019	-2,365.82
03/28/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/16/2019-03/31/2019 03/16/2019 to 03/31/2019	-4,975.71
03/28/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 03/16/2019-03/31/2019 03/16/2019 to 03/31/2019	-600.00
03/28/2019	Payroll Check	DD	Alexander F. Getts	Pay Period: 03/16/2019-03/31/2019 03/16/2019 to 03/31/2019	-1,275.01
03/28/2019	Bill Payment (Check)	ACH	Arthur J. Gallagher & Co.	Invoice: 2150544	-8,314.00
03/28/2019	Bill Payment (Check)	ACH	By The Numbers Actuarial Consulting, Inc.	Invoice: 2019-088	-2,000.00
03/28/2019	Bill Payment (Check)	ACH	Don Green Photography, Inc.	Invoice: 10456	-150.00
03/28/2019		ACH	PEHP-LTD	Agency: 1076	-194.04
03/28/2019			IRS	EFT ACKNOWLEDGEMENT NUMBER: 70948744260686	-4,928.22
03/28/2019		ACH	Utah Retirement Systems	Confirmation: 032814370896	-9,891.28
03/28/2019			UT State Tax Commission	Confirmation: 2-054-481-024	-1,812.94
03/29/2019		ONLINE	Nationwide Retirement Solutions	Entity: 0036786001	-2,533.00
03/29/2019		ACH	Johnnie R. Miller	Expense Reimbursement	-667.24
03/29/2019	Check	ACH	Korby Siggard	Expense Reimbursement	-160.92
04/12/2019	Payroll Check	DD	Alexander F. Getts	Pay Period: 04/01/2019-04/15/2019 04/01/2019 to 04/15/2019	-1,400.42
04/12/2019	Payroll Check	DD	Sonya J. White	Pay Period: 04/01/2019-04/15/2019 04/01/2019 to 04/15/2019	-2,365.81

04/12/2019	Payroll Check	DD	Korby M. Siggard	Pay Period: 04/01/2019-04/15/2019 04/01/2019 to 04/15/2019	-2,437.79
04/12/2019	Payroll Check	DD	Marty L. Stevens	Pay Period: 04/01/2019-04/15/2019 04/01/2019 to 04/15/2019	-1,695.81
04/12/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 04/01/2019-04/15/2019 04/01/2019 to 04/15/2019	-4,975.72
04/12/2019	Payroll Check	DD	Johnnie R. Miller	Pay Period: 04/01/2019-04/15/2019 04/01/2019 to 04/15/2019	-600.00
04/12/2019	Tax Payment		IRS	EFT ACKNOWLEDGEMENT: 270950251548683	-4,999.54
04/17/2019	Check	ACH	Marty L. Stevens	Mileage Reimbursement	-102.06
04/17/2019	Bill Payment (Check)	ACH	Gallagher Bassett Services, Inc.	Invoice: 15348	-132.00
04/17/2019	Bill Payment (Check)	ACH	Revco Leasing Company, LLC	Invoice: 527237	-235.47
04/17/2019	Bill Payment (Check)	ACH	Whitney Advertising & Design, Inc.	Invoice: 25712	-1,480.35
04/17/2019	Bill Payment (Check)	ACH	Whitney Advertising & Design, Inc.	Invoice: 25735	-916.50
Total for 5	00-000000-10010100 Zion	sMLE			-\$ 183,159.77

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Transaction Report February 22 - April 18, 2019

Date	Transacion Type		Name	Memo/Description	Amount
Losses and	Adjustment				Amount
101800-	40070000 Lo	sses (2012)			
40020	103 Nonemp	loyee (7)			
04/09/2019	Check	ACH	Suitter Axland	DUC0001052012	-1,335
04/09/2019	Check	ACH	Suitter Axland	DUC0001112012	-2,081
				_	-\$3,416
				_	-\$3,416
101800-	40070000 Lo	sses (2013)		_	
	103 Nonemp				
02/26/2019	Check	ACH	Stirba, PC	IRO0001372013	-4,256
03/12/2019	Check	ACH	Mylar Law, PC	GAR0000362013	-4,383
04/09/2019	Check	ACH	Hutton Law Associates, PC	WEB0004182013	-510
04/09/2019	Check	ACH	Mylar Law, PC	GAR0000362013	-7,304
04/09/2019	Check	ACH	Suitter Axland	WEB0004412013	-201
					-\$16,654
		10000000			-\$16,654
	40070000 Lo				
	103 Nonempl		House Lead Associates BO		
03/12/2019	Check	ACH	Hutton Law Associates, PC	MOR0000462014	-19,400
04/09/2019	Check	ACH	Suitter Axland	WAT0000822014	-425
04/09/2019	Check	ACH	Hutton Law Associates, PC	MOR0000462014	-25,545
				-	-\$45,370
404900	100700001	(2045)			-\$45,370
	10070000 Lo:	er Marco M			
03/12/2019	I03 Nonempl Check	ACH	Mylar Law, PC	BEA0000622015	45.002
03/21/2019	Check	ACH	Mylar Law, PC	UIN0001462015	-15,003
03/29/2019	Check	ACH	Mylar Law, PC	WEB0005122015	-4,411
04/16/2019	Check	ACH	Mylar Law, PC	UIN0001462015	-4,914 -11,987
	50 5 1,555,500		,		-\$36,314
				_	-\$36,314
101800-4	10070000 Los	sses (2016)			-\$50,514
	03 Nonempl				
02/26/2019	Check	ACH	Mylar Law, PC	UIN0001482016	-9,461
03/12/2019	Check	ACH	Suitter Axland	WAT0001012016	-2,970
03/21/2019	Check	ACH	Mylar Law, PC	WEB0005212016	-2,459
03/29/2019	Check	ACH	Durham Jones & Pinegar	MIL0001002016	-9,380
03/29/2019	Check	ACH	Mylar Law, PC	UIN0001482016	-7,869
04/09/2019	Check	ACH	Suitter Axland	WAT0001012016	-2,925
04/16/2019	Check	ACH	Goebel Anderson PC	WAT0001042016	-360
					-\$35,424
				_	-\$35,424
101800-4	0070000 Los	ses (2017)			
400201	03 Nonemple	oyee (7)			
02/26/2019	Check	ACH	Mylar Law, PC	SEV0001142017	-507
02/26/2019	Check	ACH	Durham Jones & Pinegar	BOX0001212017	-2,253
03/12/2019	Check	ACH	Mylar Law, PC	DUC0001502017	-2,950
03/12/2019	Check	ACH	Suitter Axland	DUC0001552017	-6,197
03/12/2019	Check	ACH	Suitter Axland	DAV0003652017	-7,971
03/21/2019	Check	ACH	Mylar Law, PC	WEB0005302017	-6,970
03/21/2019	Check	ACH	Goebel Anderson PC	MOR0000522017	-516
03/21/2019	Check	ACH	Mylar Law, PC	DAG0000392017	-2,502
03/29/2019	Check	ACH	Durham Jones & Pinegar	KAN0000862017	-4,931
03/29/2019	Check	ACH	Durham Jones & Pinegar	DUC0001542017	-5,246
04/09/2019	Check	ACH	Suitter Axland	DUC0001502017	-8,300
04/09/2019	Check	ACH	Suitter Axland	DAV0003652017	-2,280

					2.00
04/09/2019	Check	ACH	Suitter Axland	DUC0001552017	-9,007 3,578
04/16/2019	Check	ACH	Mylar Law, PC	WEB0005372017	-3,578
04/16/2019	Check	ACH	Goebel Anderson PC	PIU0000082017	-2,664 11,850
04/16/2019	Check	ACH	Goebel Anderson PC	WEB0005432017	-11,850 -\$77,722
400703	00 Proceed	Is (14)			
03/29/2019	Check	ACH	Eisenberg Cutt Kendell & Olson, LLC	PIU0000082017	-5,000
					-\$5,000
					-\$82,722
101800-4	0070000 Lo	sses (2018)			
400201	03 Nonemp	oloyee (7)			-10-15 pro-
02/26/2019	Check	ACH	Mylar Law, PC	DAV0003732018	-1,354
02/26/2019	Check	ACH	Durham Jones & Pinegar	DAV0003772018	-4,101
03/01/2019	Check	ACH	Mylar Law, PC	WEB0005522018	-3,637
03/12/2019	Check	ACH	Suitter Axland	SAN0000942018	-193
03/12/2019	Check	ACH	Suitter Axland	SAN0000942018	-724
03/21/2019	Check	ACH	Goebel Anderson PC	WAT0001092018	-5,418
04/09/2019	Check	ACH	Suitter Axland	DAV0003752018	-1,940
04/09/2019	Check	ACH	Suitter Axland	SEV0001162018	-1,479
04/16/2019	Check	ACH	Goebel Anderson PC	BEA0000692018	-2,214
04/16/2019	Check	ACH	Goebel Anderson PC	WAT0001092018	-4,086
04/16/2019	Check	ACH	Mylar Law, PC	WEB0005532018	-3,974
					-\$29,119
					-\$23,444
101800-4	10070000 L	osses (2019)			
02/26/2019	Check	ACH	Emery County	EME0000192019	-1,443
02/26/2019	Check	ACH	Millard County	MIL0000212019	-643
02/27/2019	Check	BILLPAY	Uintah County	UIN0000052019	-3,744
02/27/2019	Check	BILLPAY	Greg Anderson	WEB0005562019	-255
02/27/2019	Check	BILLPAY	Nycole Durfey	WAY0000242019	-566
03/05/2019	Check	BILLPAY	Tamara Hokanson	WAS0000302019	0
03/12/2019	Check	ACH	Beaver County	BEA0000092019	-1,680
03/12/2019	Check	ACH	Box Elder County	BOX0000042019	-2,564
03/12/2019	Check	BILLPAY	American National Property and Casualty Company	SEV0001172019	-8,533
03/19/2019	Check	ACH	Tamara Hokanson	WAS0000302019	-2,494
03/19/2019	Check	ACH	Weber County	WEB0000812019	-2,804
03/29/2019	Check	ACH	Wayne County	WAY0000082019	-12,413
04/02/2019	Check	BILLPAY	Rocky Mountain Power	IRO0000252019	-1,433
04/09/2019	Check	ACH	Duchesne County	DUC0000262019	-1,605
04/09/2019	Check	ACH	Millard County	MIL0000032019	-10,278
04/09/2019	Check	ACH	Sevier County	SEV0000202019	-375
04/09/2019	Check	ACH	Moon Lake Electric Assn.	DUC0001562019	-2,523
04/09/2019	Check	ACH	Andrea Woodring	WEB0000822019	-2,003
04/10/2019	Check	BILLPAY	American National Property and Casualty Company	SEV0001172019	-283
04/16/2019	Check	ACH	Duchesne County	DUC0000272019	-728
04/16/2019	Check	ACH	Beaver County	BEA0000102019	-1,857
04/16/2019	Check	ACH	Duchesne County	DUC0000282019	-2,023
04/18/2019	Check	BILLPAY	Enterprise Rent-A-Car	DAV0000582019	-3,114
04/18/2019	Check	BILLPAY	Enterprise Rent-A-Car, Inc.	WAS0000302019	-101
3.11012013	21.001				-\$63,462
40020	103 Non-en	nployee (7)			500,000 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6
03/29/2019	Check	ACH	Frontier Adjusters, Inc.	WAY0000082019	-1,521
					-\$1,521
	300 procee			WHE0000303040	-10,000
03/12/2019	Check	BILLPAY	Siegfried & Jensen	WHS0000392019	-10,000
04/16/2019	Check	ACH	Gridley, Ward & Hamilton	MOR0000462014	-\$684,000
					-\$748,983
					=======================================
					-\$111,49
TOTAL					-\$111,495

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Date	Туре	Num	Name	Memo/Description	Απ	ount
500-100101	-40020000 Direc	ctors				
40020900	Travel Training	ı				
03/01/2019	Check	ACH	Karla Johnson			-325
03/05/2019	Check	BILLPAY	Scott Jenkins			-48
03/05/2019	Check	BILLPAY	Bob Stevenson			-17
03/08/2019	Bill	ONLINE	American Express	AGRIP Registration (Eyre, Johnson, Wilkins) \$150 Cancellation Fees		-2,415
03/08/2019	Bill	ONLINE	American Express	Capitol Catering (Board Meeting Lunch)		-184
03/22/2019	Check	ACH	Sevier County			-805
03/22/2019	Check	ACH	Karla Johnson			-1,017
04/01/2019	Bill	ONLINE	American Express	Union Station Hotel AGRIP (Eyre, Johnson)		-2,237
04/01/2019	Bill	ONLINE	American Express	Taxi Service AGRIP		-107
04/01/2019	Bill	ONLINE	American Express	Landry's AGRIP (Eyre, Johnson, White)		-121
04/01/2019	Bill	ONLINE	American Express	Gateway Arch (Eyre, Johnson, White)		-57
						-1664
TOTAL					-\$	1,664
500-100102	-4002000 Office					
40020104	Information Ted	chnology				
03/01/2019	Bill	ACH	Gallagher Bassett Services, Inc.	CZR User Claims (JAN)		-96
03/07/2019	Bill	BILLPAY	TCNS, Inc.	Phone Support (Jan)		-35
03/08/2019	Bill	ONLINE	American Express	GoToMeeting Subscription		-373
03/08/2019	Bill	ONLINE	American Express	Metrofax Monthly Subscription		-8
03/08/2019	Bill	ONLINE	American Express	ADOBE Subscription		-11
03/13/2019	Bill	ACH	Don Green Photography, Inc.	Photograph Archive, Getts Picture		-150
04/01/2019	Bill	ONLINE	American Express	Intuit Online Accounting Subscription		-120
04/01/2019	Bill	ONLINE	American Express	Intuit Online Accounting Subscription		-118
04/01/2019	Bill	ONLINE	American Express	Metrofax		-8
04/01/2019	Bill	ACH	Gallagher Bassett Services, Inc.	CZR User Claims (FEB)		-132
04/01/2019	Bill	ONLINE	American Express	Adobe		-11
					-\$	1,062
40020500	Printing				**	.,2
03/01/2019	Bill	ACH	Les Olson Company	BW (1,410) COLOR (17,051)		-61
03/01/2019	Bill	ACH	Revco Leasing Company, LLC	Lease Payment Mar		-235
04/01/2019	Bill	ACH	Revco Leasing Company, LLC	Lease Payment Apr		-235
			September (1997) 1997 (1994) 1997 (1994) 1997 (1994) 1997 (1994) 1997 (1994) 1997 (1994)	September of the septe	-\$	531
40020600	Postage					001
03/01/2019	Bill	BILLPAY	State of Utah Mail	Records Management Archives		-64
					-\$	64
40021000	Bank Charges				S ™ .	
02/28/2019	Expense	ONLINE	Zions Bank	SERVICE AND TRANSACTION FEES		-236
03/18/2019	Expense	ONLINE	Zions Bank	STOP PAYMENT FEE		-9
03/21/2019	Expense	ONLINE	Zions Bank	SERVICE AND TRANSACTION FEES		-111
03/21/2019	Expense	ONLINE	Zions Bank	SERVICE AND TRANSACTION FEES		-54
03/31/2019	Expense	ONLINE	Zions Bank	SERVICE AND TRANSACTION FEES		-225
					-\$	635
40050100	Office Supplies				•	000
03/08/2019	Bill	ONLINE	American Express	Office Depot		-33
			i dale reconstituiti rispiniari persona aji. ■ reconjugacija		-\$	33
40020900	Travel Educatio	n			-	55
03/01/2019	Check	ACH	Korby M. Siggard			-27
03/01/2019	Check	ACH	Alexander F. Getts			-125
03/08/2019	Bill	ONLINE	American Express	Hyatt Place CIC Training (Miller)		-125
03/08/2019	Bill	ONLINE	American Express	AGRIP Registration (White)		
03/08/2019	Bill	ONLINE	American Express	Delta AGRIP (White)		-755 509
03/26/2019	Check	BILLPAY	Sonya J. White	Sold Field (Fillie)		-508
03/29/2019	Check	ACH	Korby Siggard			-194
04/01/2019	Bill	ONLINE	American Express	Delta AGRIP (White)		-161
		SHEIHE	, Express	Dotta AGINIF (Willie)		-60

					407
04/01/2019	Bill	ONLINE	American Express	Delta CRL (Miller)	-467
04/01/2019	Bill	ONLINE	American Express	Union Station Hotel AGRIP (White)	-746
04/17/2019	Check	ACH	Marty L. Stevens		-102
					-\$ 3,335 -\$ 5,660
TOTAL					=======================================
	40020000 Finan	cial/Profess	sional Services		
40020102	Actuary				
Equity		2012000		Marchae Favilly Allogation	-1,000
03/26/2019	Bill	ACH	By The Numbers Actuarial Consulting, Inc.	Member Equity Allocation	\$ -1,000
					* -,
Loss Ra			D. The Morehan Astronial Consulting Inc.	Loss Ratio Analysis	-1,000
03/26/2019	Bill	ACH	By The Numbers Actuarial Consulting, Inc.	Loss Mallo Analysis	\$ -1,000

Reserve		DILLDAY	By The Numbers Actuarial Consulting, Inc.	Estimated Required Reserves	-7,000
02/28/2019	Bill	BILLPAY	By The Numbers Actuarial Consulting, Inc.	Louisia (14 qui to 14 qui	\$ -7,000
40020402	Adit				
40020102 03/01/2019	Bill	ACH	Larson & Company	2018 Audit	-16,129
03/0/1/2019	Dill	7.011	Zaroon a company		\$ -16,129
TOTAL					-\$ 25,129
E00 101100	40010000 Perso	nnel			
40010101		illici			
02/28/2019	Payroll Check	DD	Korby M. Siggard	Gross Pay	-3,690
02/28/2019	Payroll Check	DD	Marty L. Stevens	Gross Pay	-1,743
02/28/2019	Payroll Check		Alexander F. Getts	Gross Pay	-1,483
02/28/2019	Payroll Check	DD	Sonya J. White	Gross Pay	-3,850
02/28/2019	Payroll Check		Johnnie R. Miller	Gross Pay	-8,475
03/15/2019	Payroll Check		Sonya J. White	Gross Pay	-3,850
03/15/2019	Payroll Check		Alexander F. Getts	Gross Pay	-1,813
03/15/2019	Payroll Check	DD	Marty L. Stevens	Gross Pay	-2,130
03/15/2019	Payroll Check	DD	Johnnie R. Miller	Gross Pay	-8,475
03/15/2019	Payroll Check	DD	Korby M. Siggard	Gross Pay	-3,690
03/29/2019	Payroll Check	DD	Korby M. Siggard	Gross Pay	-3,690
03/29/2019	Payroll Check	DD	Marty L. Stevens	Gross Pay	-1,937
03/29/2019	Payroll Check	DD	Sonya J. White	Gross Pay	-3,850
03/29/2019	Payroll Check	DD	Johnnie R. Miller	Gross Pay	-8,475
03/29/2019	Payroll Check	DD	Alexander F. Getts	Gross Pay	-1,648
04/15/2019	Payroll Check	DD	Alexander F. Getts	Gross Pay	-1,813
04/15/2019	Payroll Check	DD	Sonya J. White	Gross Pay	-3,850
04/15/2019	Payroll Check	DD	Korby M. Siggard	Gross Pay	-3,690
04/15/2019	Payroll Check	DD	Johnnie R. Miller	Gross Pay	-8,475
04/15/2019	Payroll Check	DD	Marty L. Stevens	Gross Pay	-2,130
					-\$ 78,757
4001020	3 Payroll Liabili	ties	Section Administration of the Control of the Contro		205
02/28/2019	Payroll Check	DD	Sonya J. White	Employer Taxes	-295 -113
02/28/2019	Payroll Check		Alexander F. Getts	Employer Taxes	-113 -133
02/28/2019	Payroll Check	DD	Marty L. Stevens	Employer Taxes	-133 -282
02/28/2019	Payroll Check	DD	Korby M. Siggard	Employer Taxes	-648
02/28/2019	Payroll Check	DD	Johnnie R. Miller	Employer Taxes	-282
03/15/2019	Payroll Check	DD	Korby M. Siggard	Employer Taxes	-648
03/15/2019	Payroll Check	DD	Johnnie R. Miller	Employer Taxes	
03/15/2019	Payroll Check		Marty L. Stevens	Employer Taxes	-163 -295
03/15/2019	Payroll Check		Sonya J. White	Employer Taxes	-139
03/15/2019	Payroll Check		Alexander F. Getts	Employer Taxes	-282
03/29/2019	Payroll Check		Korby M. Siggard	Employer Taxes	-295
03/29/2019			Sonya J. White	Employer Taxes	-648
03/29/2019			Johnnie R. Miller	Employer Taxes	-126
03/29/2019			Alexander F. Getts	Employer Taxes	-148
03/29/2019			Marty L. Stevens	Employer Taxes	-295
04/15/2019	T 100000 100		Sonya J. White	Employer Taxes	-282
04/15/2019	Payroll Check	DD	Korby M. Siggard	Employer Taxes	232

04/15/2019	Payroll Check	DD	Marty L. Stevens	Employer Taxes		-163
04/15/2019	Payroll Check	DD	Johnnie R. Miller	Employer Taxes		-648
04/15/2019	Payroll Check	DD	Alexander F. Getts	Employer Taxes		-139
					-\$	6,024
	Group Insuranc	е				
Dental		24200				
02/28/2019	Check	ACH	Public Employees Health Program	Sonya White		-58
02/28/2019	Check	ACH	Public Employees Health Program	Johnnie Miller		-88
02/28/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-88
02/28/2019	Check	ACH	Public Employees Health Program	Korby Siggard		-88
	Check	ACH	Public Employees Health Program	Alex Getts		-88
03/22/2019	Check	ACH	Public Employees Health Program	Alex Getts		-88
03/22/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-88
03/22/2019	Check Check	ACH ACH	Public Employees Health Program	Johnnie Miller		-88
03/22/2019	Check	ACH	Public Employees Health Program	Korby Siggard		-88
03/22/2019	CHECK	ACH	Public Employees Health Program	Sonya White		-58
Life					-\$	820
02/28/2019	Check	ACH	Public Employees Health Program	Alex Getts		
02/28/2019	Check	ACH	Public Employees Health Program	Johnnie Miller		-11
02/28/2019	Check	ACH	Public Employees Health Program			-11
02/28/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-11
02/28/2019	Check	ACH	Public Employees Health Program	Korby Siggard Sonya White		-11
03/22/2019	Check	ACH	Public Employees Health Program	Alex Getts		-11
03/22/2019	Check	ACH	Public Employees Health Program	Johnnie Miller		-11
03/22/2019	Check	ACH	Public Employees Health Program	Korby Siggard		-11
03/22/2019	Check	ACH	Public Employees Health Program	Sonya White		-11 -11
03/22/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-11
			3.3.1	many distrib	-\$	110
LTD					-Ψ	110
02/28/2019	Check	ACH	PEHP-LTD	Sonya White		-39
02/28/2019	Check	ACH	PEHP-LTD	Marty Stevens		-19
02/28/2019	Check	ACH	PEHP-LTD	Korby Siggard		-37
02/28/2019	Check	ACH	PEHP-LTD	Johnnie Miller		-81
02/28/2019	Check	ACH	PEHP-LTD	Alex Getts		-16
03/28/2019	Check	ACH	PEHP-LTD	Sonya White		-39
03/28/2019	Check	ACH	PEHP-LTD	Marty Stevens		-20
03/28/2019	Check	ACH	PEHP-LTD	Korby Siggard		-37
03/28/2019	Check	ACH	PEHP-LTD	Johnnie Miller		-81
03/28/2019	Check	ACH	PEHP-LTD	Alex Getts		-17
					-\$	386
Medical						
02/28/2019	Check	ACH	Public Employees Health Program	Johnnie Miller		-1,315
02/28/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-1,315
02/28/2019	Check	ACH	Public Employees Health Program	Sonya White		-972
02/28/2019	Check	ACH	Public Employees Health Program	Korby Siggard		-1,315
02/28/2019	Check	ACH	Public Employees Health Program	Alex Getts		-1,315
03/22/2019	Check	ACH	Public Employees Health Program	Sonya White		-972
03/22/2019	Check	ACH	Public Employees Health Program	Korby Siggard		-1,315
03/22/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-1,315
03/22/2019	Check	ACH	Public Employees Health Program	Alex Getts		-1,315
03/22/2019	Check	ACH	Public Employees Health Program	Johnnie Miller		-1,315
					-\$	12,464
Vision						
02/28/2019	Check	ACH	Public Employees Health Program	Korby Siggard		-15
02/28/2019	Check	ACH	Public Employees Health Program	Alex Getts		-15
02/28/2019	Check	ACH	Public Employees Health Program	Johnnie Miller		-15
02/28/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-15
02/28/2019	Check	ACH	Public Employees Health Program	Sonya White		-11
03/22/2019	Check	ACH	Public Employees Health Program	Korby Siggard		-15
03/22/2019	Check	ACH	Public Employees Health Program	Marty Stevens		-15
03/22/2019	Check	ACH	Public Employees Health Program	Johnnie Miller		-15
03/22/2019	Check	ACH	Public Employees Health Program	Alex Getts		-15

12212010					-11
/22/2019	Check	ACH	Public Employees Health Program	Sonya White	-\$ 142
40010204 F	Retirement				
/28/2019	Check	ONLINE	Utah Retirement Systems	Johnnie Miller 401k Match	-405
/28/2019	Check	ONLINE	Utah Retirement Systems	Korby Siggard Pension	-1,363
/28/2019	Check	ONLINE	Utah Retirement Systems	Alex Getts Tier 2 401k	-38
/28/2019	Check	ONLINE	Nationwide Retirement Solutions	Johnnie Miller 457	-405
/28/2019	Check	ONLINE	Nationwide Retirement Solutions	Sonya White 457	-385
/28/2019	Check	ONLINE	Nationwide Retirement Solutions	Korby Siggard 457	-369
/28/2019	Check	ONLINE	Utah Retirement Systems	Sonya White Pension	-1,422
/28/2019	Check	ONLINE	Utah Retirement Systems	Johnnie Miller Pension	-2,992
2/28/2019	Check	ONLINE	Utah Retirement Systems	Alex Getts 401k Match	-37
2/28/2019	Check	ONLINE	Utah Retirement Systems	Marty Stevens Pension	-298
2/28/2019	Check	ONLINE	Utah Retirement Systems	Marty Stevens Tier 2 401k	-445
/28/2019	Check	ONLINE	Utah Retirement Systems	Alex Getts Pension	-512
/28/2019	Check	ONLINE	Utah Retirement Systems	Marty Stevens 401k Match	-203
3/28/2019	Check	ACH	Utah Retirement Systems	Johnnie Miller Pension	-2,992
3/28/2019	Check	ACH	Utah Retirement Systems	Johnnie Miller 401k Match	-405
/28/2019	Check	ACH	Utah Retirement Systems	Korby Siggard Pension	-1,363
3/28/2019	Check	ACH	Utah Retirement Systems	Marty Stevens Pension	-272
3/28/2019	Check	ACH	Utah Retirement Systems	Marty Stevens 401k Match	-219
3/28/2019	Check	ACH	Utah Retirement Systems	Sonya White Pension	-1,422
		ACH	Utah Retirement Systems	Alex Getts Pension	-538
3/28/2019	Check		Utah Retirement Systems	Alex Getts Tier 2 401k	-40
1/28/2019	Check	ACH	Built 440 000 00 98 98 90 000 00 98 20 50 50 50 50 50 50 50 50 50 50 50 50 50	Alex Getts 401k Match	-462
1/28/2019	Check	ACH	Utah Retirement Systems	Marty Stevens Tier 2 401k	-407
3/28/2019	Check	ACH	Utah Retirement Systems	Korby Siggard 457	-369
3/29/2019	Check	ONLINE	Nationwide Retirement Solutions Nationwide Retirement Solutions		-385
	Check	ONLINE		Sonya White 457	
	Check Check	ONLINE	Nationwide Retirement Solutions	Johnnie Miller 457	-405
3/29/2019 3/29/2019				560 2075 CC	
				560 2075 CC	-405 -\$ 18,153
3/29/2019 OTAL		ONLINE	Nationwide Retirement Solutions	560 2075 CC	-405 -\$ 18,153
3/29/2019 DTAL 00-101600-	Check	ONLINE	Nationwide Retirement Solutions	560 2075 CC	-405 -\$ 18,153
3/29/2019 DTAL 00-101600-	Check 40020000 Publ	ONLINE ic Relations	Nationwide Retirement Solutions	Johnnie Miller 457	-405 -\$ 18,153 -\$ 116,856
00-101600- 3/01/2019	Check 40020000 Publ Bill Advertising	ONLINE ic Relations ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc.	Johnnie Miller 457 Journals (525)	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341
00-101600- 03/2019 00-101600- 03/01/2019 40020400	Check 40020000 Publ Bill Advertising Bill	ONLINE ic Relations ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc.	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC	-405 -\$ 18,153 -\$ 116,856 -1,751 -1,741
00-101600- 03/2019 00-101600- 03/01/2019 40020400	Check 40020000 Publ Bill Advertising	ONLINE ic Relations ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc.	Johnnie Miller 457 Journals (525)	-405 -\$ 18,153 -\$ 116,856 -1,751 -1,741 -917 -181
00-101600- 3/01/2019 40020400 4/01/2019 4/01/2019	Check 40020000 Publ Bill Advertising Bill	ONLINE ic Relations ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc.	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC	-405 -\$ 18,153 -\$ 116,856 -1,751 -1,741 -917 -181 -1,097
3/29/2019 OTAL 00-101600- 3/01/2019	Check 40020000 Publ Bill Advertising Bill	ONLINE ic Relations ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc.	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC	-405 -\$ 18,153 -\$ 116,856 -1,751 -1,741 -917 -181
3/29/2019 DTAL 00-101600- 3/01/2019 40020400 4/01/2019 OTAL	Check 40020000 Publ Bill Advertising Bill	ic Relations ACH ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC	-405 -\$ 18,153 -\$ 116,856 -1,751 -1,741 -917 -181 -1,097
3/29/2019 DTAL D0-101600- 3/01/2019 40020400 / 4/01/2019 OTAL 00-101800-	Check 40020000 Publ Bill Advertising Bill Bill	ic Relations ACH ACH ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC	-405 -\$ 18,153 -\$ 116,856 -1,751 -1,741 -917 -181 -1,097
3/29/2019 DTAL 00-101600- 3/01/2019 40020400 4/01/2019 DTAL 00-101800- 40020103	Check 40020000 Publ Bill Advertising Bill Bill	ic Relations ACH ACH ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC	-405 -\$ 18,153 -\$ 116,856 -1,751 -1,741 -917 -181 -1,097
3/29/2019 DTAL 00-101600- 3/01/2019 40020400 4/01/2019 DTAL 00-101800- 40020103	Check 40020000 Publ Bill Advertising Bill Bill 4002000 Risk I	ic Relations ACH ACH ACH Managementine	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC Modulate Series Lounge Backdrop Shipping	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341 -917 -181 \$ -1,097 \$ -2,438
3/29/2019 DTAL D0-101600- 3/01/2019 40020400 4//01/2019 OTAL 00-101800- 40020103 3//01/2019 40020900	Check 40020000 Publi Bill Advertising Bill Bill 4002000 Risk I Land Use Hotli Bill Training	ic Relations ACH ACH ACH Managementine ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC Modulate Series Lounge Backdrop Shipping EME (1.5), MOR (0.3), SAJ (0.5)	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341 -917 -181 \$ -1,097 \$ -2,438
3/29/2019 DTAL D0-101600- 3/01/2019 40020400 4//01/2019 OTAL 00-101800- 40020103 3//01/2019 40020900	Check 40020000 Publication Bill Bill 4002000 Risk I Land Use Hotti	ic Relations ACH ACH ACH Managementine	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC Modulate Series Lounge Backdrop Shipping	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341 -917 -181 \$ -1,097 \$ -2,438 -404 \$ -404 \$ -404
3/29/2019 DTAL D0-101600- 3/01/2019 40020400 4//01/2019 OTAL 00-101800- 40020103 3//01/2019 40020900	Check 40020000 Public Bill Advertising Bill 4002000 Risk I Land Use Hotti Bill Training Bill	ic Relations ACH ACH ACH Managementine ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC Modulate Series Lounge Backdrop Shipping EME (1.5), MOR (0.3), SAJ (0.5)	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341 -917 -181 \$ -1,097 \$ -2,438 -404 -1,480 \$ -8,668
3/29/2019 DTAL D0-101600- 3/01/2019 40020400 4/01/2019 OTAL 00-101800- 40020103 3/01/2019 40020900 4/01/2019	Check 40020000 Public Bill Advertising Bill 4002000 Risk I Land Use Hotti Bill Training Bill	ic Relations ACH ACH ACH Managementine ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC Modulate Series Lounge Backdrop Shipping EME (1.5), MOR (0.3), SAJ (0.5)	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341 -917 -181 \$ -1,097 \$ -2,438 -404 -1,480 \$ -8,668
3/29/2019 DTAL D0-101600- 3/01/2019 40020400 4/01/2019 OTAL 00-101800- 40020103 3/01/2019 40020900 4/01/2019	Check 40020000 Publi Bill Advertising Bill Bill 4002000 Risk I Land Use Hotti Bill Training Bill	ic Relations ACH ACH ACH Managementine ACH ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display t Goebel Anderson PC Whitney Advertising & Design, Inc.	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC Modulate Series Lounge Backdrop Shipping EME (1.5), MOR (0.3), SAJ (0.5)	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341 -917 -181 \$ -1,097 \$ -2,438 -404 -1,480 \$ -8,668 -864 -667
3/29/2019 DTAL D0-101600- 3/01/2019 40020400 4/01/2019 OTAL 00-101800- 40020103 3/01/2019 40020900 4/01/2019	Check 40020000 Public Bill Advertising Bill 4002000 Risk I Land Use Hotti Bill Training Bill Travel Check	ic Relations ACH ACH ACH Managementine ACH ACH ACH	Nationwide Retirement Solutions Whitney Advertising & Design, Inc. Whitney Advertising & Design, Inc. Modern Display t Goebel Anderson PC Whitney Advertising & Design, Inc. Johnnie R. Miller	Johnnie Miller 457 Journals (525) Lint Sheets (352) UAC Modulate Series Lounge Backdrop Shipping EME (1.5), MOR (0.3), SAJ (0.5)	-405 -\$ 18,153 -\$ 116,856 -1,751 \$ -1,341 -917 -181 \$ -1,097 \$ -2,438 -404 -1,480 \$ -8,668

Draft Issued 2/26/19

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UTAH COUNTIES INDEMNITY POOL

ACTUARIAL REPORT Reserve Analysis as of 12/31/18

2/26/19

FINDINGS

The findings are the product of loss experience, actuarial assumptions, quantitative analysis, and professional judgment. The estimated required reserves are expressed in terms of ranges that indicate the reliance on assumptions believed to be reasonable and are subject to all the limitations expressed herein.

ESTIMATED REQUIRED RESERVES

The required reserves shown in the following tables should be used for financial statement reporting as of that date. However, until all the claims that occurred on or before 12/31/18 are closed, the actual reserve need remains an estimate. While the experience of UCIP indicates that the required reserves will fall within the range established in this report, the possibility exists that extraordinary or unexpected circumstances could cause the actual reserve need to be less than or greater than the range. Therefore, the findings cannot be warranted or guaranteed.

ESTIMATED LOSS AND ALAE RESERVES INCLUDING IBNR FOR 1/1/05-12/31/18 AS OF 12/31/18 (Limited to Specific Retentions)

	Business	Low	Expected	High
Undiscounted for Investment Income	GL AL Property	\$ 8,360,000 80,000 10,000	\$ 9,160,000 90,000 20,000	\$10,280,000 130,000 40,000
	Total	\$ 8,450,000	\$ 9,270,000	\$10,450,000
Discounted at 2.5% per Annum	GL AL Property	\$ 7,880,000 70,000 10,000	\$ 8,630,000 90,000 20,000	\$ 9,690,000 130,000 40,000
	Total	\$ 7,960,000	\$ 8,740,000	\$ 9,860,000

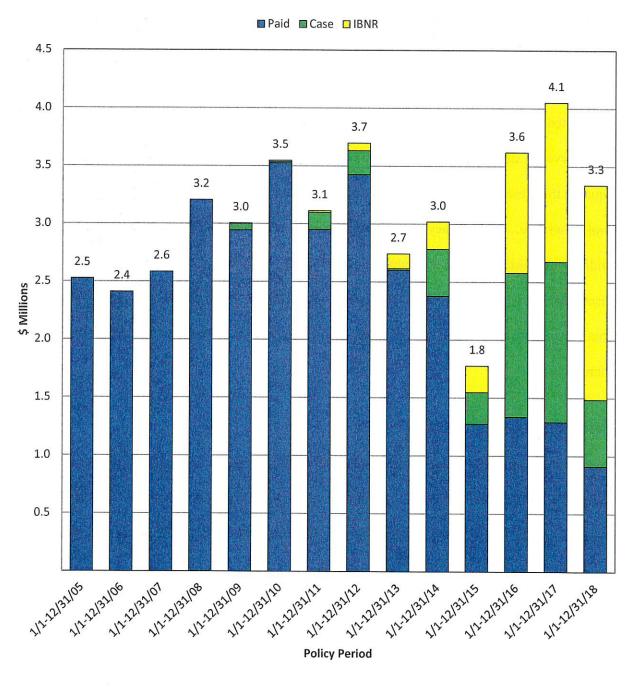


Figure 1

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

ESTIMATED RETAINED LOSSES AS OF 12/31/18





The low and high figures are judgmental and not intended to establish absolute minimums or maximums on the estimates, but rather to depict a reasonable range for the establishment of loss reserves in this particular situation. Figure 1 contains a graphical representation of UCIP's estimated retained loss experience as of 12/31/18 including the undiscounted expected reserves.

As noted, the reserves are estimated on both undiscounted and discounted for investment income bases. UCIP provided the discount rate of 2.5%. An analysis of the reasonableness of the selected discount rate is beyond the scope of this report. Establishing loss reserves on a discounted basis requires that future investment income earned on the loss reserves be added to the reserves to strengthen them rather than recognized as net income. It also assumes that assets equal to the present value of the reserves are available for investment as of the 12/31/18 evaluation date. The accuracy of discounted reserves depends upon the accuracy of the undiscounted estimates, the estimated payout schedule, and the interest rate assumption used to discount the loss payout schedule. If the discounted estimate is used, the management of UCIP should carefully review each of these assumptions to assure that they are in agreement with them.

COMPARISON TO PRIOR REPORT

The ultimate incurred losses estimated in this report are compared to the 4/23/18 actuarial report in the following table and Figure 2. As shown, the estimates decreased \$393,147 or 1.0% from 12/31/17 to 12/31/18. The decreases in the 1/1-12/31/13 and 1/1-12/31/16 periods are due to decreases in incurred losses in the general liability lines. The decrease in the 1/1-12/31/15 period is largely due to lower than expected incurred development in public officials liability. All public officials claims for this period are now closed. The increase in the 1/1-12/31/12 period is



due to the emergence of a new large general liability loss as shown in Appendix A, Exhibit I. The increase in the 1/1-12/31/17 period is due to increases in law enforcement and general liability. Incurred losses for law enforcement liability increased 160.6% from 12/31/17 to 12/31/18 compared to an expected increase of 135.5%. Incurred losses for general liability increased 266.8% compared to an expected increase of 192.0%.

COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES TO PRIOR ACTUARIAL REPORT ALL COVERAGES

(Limited to Specific Retentions) (Net of Recoveries)

Policy Period	Current Report (Table 43 Section A)	4/23/18 Report (Table 43 Section A)	Change	Percent Change
1/1-12/31/05	\$ 2,526,117	\$ 2,526,117	\$ 0	0.0%
1/1-12/31/06	2,410,764	2,410,764	0	0.0%
1/1-12/31/07	2,583,379	2,583,379	0	0.0%
1/1-12/31/08	3,204,919	3,204,919	0	0.0%
1/1-12/31/09	3,004,187	2,942,785	61,402	2.1%
1/1-12/31/10	3,546,306	3,550,963	(4,657)	(0.1%)
1/1-12/31/11	3,112,364	3,117,113	(4,749)	(0.2%)
1/1-12/31/12	3,697,398	3,476,058	221,340	6.4%
1/1-12/31/13	2,741,525	3,006,797	(265,272)	(8.8%)
1/1-12/31/14	3,019,614	3,108,581	(88,967)	(2.9%)
1/1-12/31/15	1,774,973	2,200,274	(425,301)	(19.3%)
1/1-12/31/16	3,619,045	4,002,363	(383,318)	(9.6%)
1/1-12/31/17	4,050,355	3,553,980	496,375	14.0%
Total	\$39,290,946	\$39,684,093	(\$ 393,147)	(1.0%)



Figure 2

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

COMPARISON OF ESTIMATED ULTIMATE INCURRED LOSSES TO PRIOR ACTUARIAL REPORT (Limited to Specific Retentions)

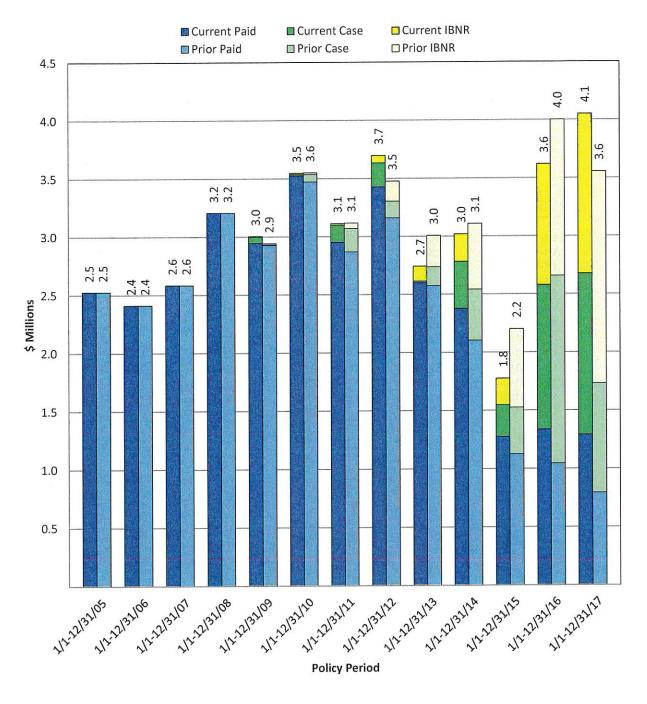




Figure 3

LAW ENFORCEMENT LIABILITY

HISTORICAL AND EXPECTED DEVELOPMENT OF INCURRED LOSSES

(Unlimited Losses Including ALAE Gross of Recoveries)

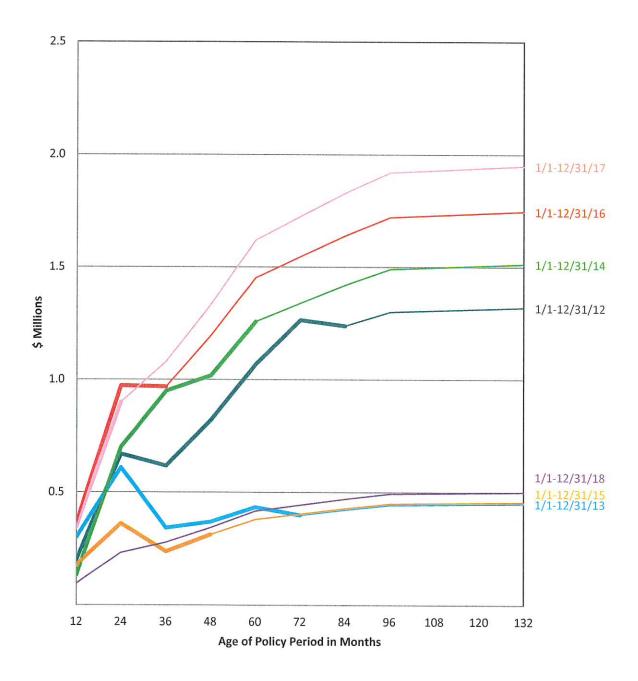




Figure 4

UTAH COUNTIES INDEMNITY POOL

LAW ENFORCEMENT LIABILITY

HISTORICAL AND EXPECTED DEVELOPMENT OF PAID LOSSES

(Unlimited Losses Including ALAE Gross of Recoveries)

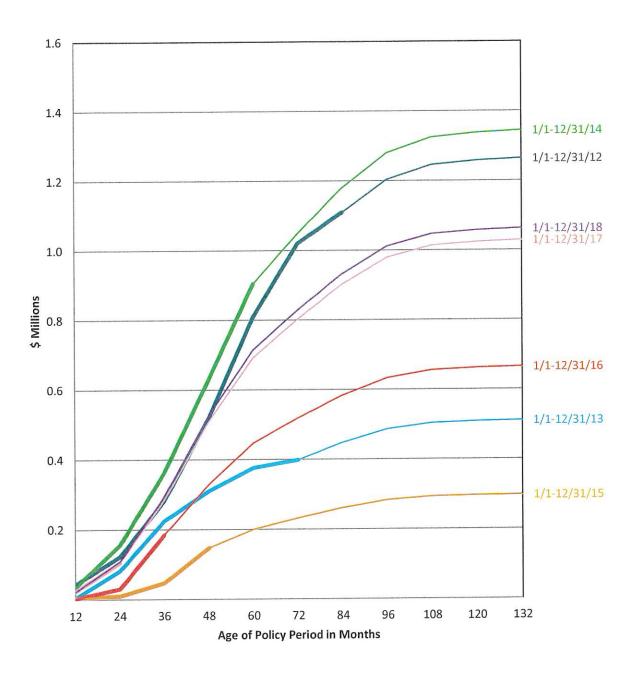




Figure 5

LAW ENFORCEMENT LIABILITY

SELECTED ESTIMATED ULTIMATE INCURRED LOSSES

(Limited to Specific Retentions)

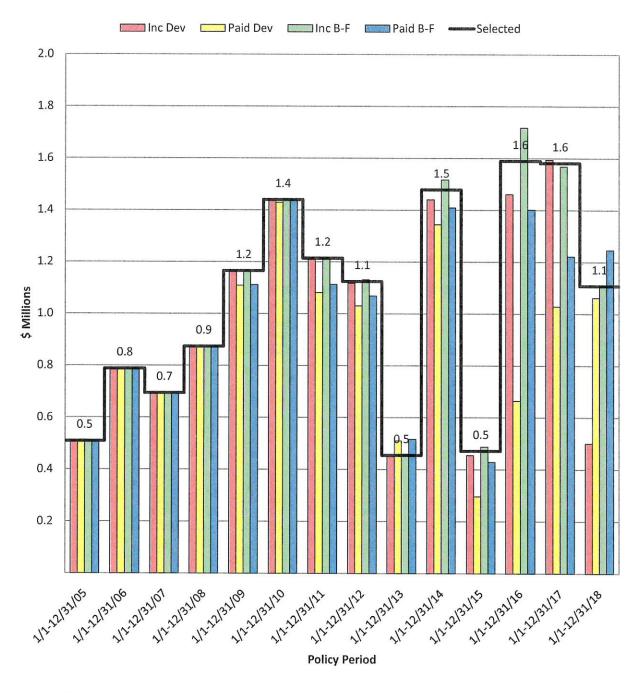




Table 43

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

ESTIMATED REQUIRED RESERVES AS OF 12/31/18

(Limited to Specific Retentions) (Net of Recoveries)

A. LOSS SUMMARY

	Estimated		
	Ultimate	Incurred	Paid
Policy	Incurred	Losses as	Losses as
Period	Losses	of 12/31/18	of 12/31/18
1/1-12/31/05	\$ 2,526,117	\$ 2,526,117	\$ 2,526,117
1/1-12/31/06	2,410,764	2,410,764	2,410,764
1/1-12/31/07	2,583,379	2,583,379	2,583,379
1/1-12/31/08	3,204,919	3,204,919	3,204,919
1/1-12/31/09	3,004,187	2,999,775	2,944,692
1/1-12/31/10	3,546,306	3,535,687	3,524,927
1/1-12/31/11	3,112,364	3,097,999	2,951,260
1/1-12/31/12	3,697,398	3,633,221	3,426,432
1/1-12/31/13	2,741,525	2,614,284	2,599,817
1/1-12/31/14	3,019,614	2,782,129	2,377,375
1/1-12/31/15	1,774,973	1,546,783	1,274,676
1/1-12/31/16	3,619,045	2,578,692	1,335,696
1/1-12/31/17	4,050,355	2,675,543	1,291,009
1/1-12/31/18	3,336,777	1,485,493	910,047
Total	\$42.627.723	\$37,674,785	\$33,361,110

B. ESTIMATED REQUIRED RESERVES AS OF 12/31/18

Policy Period	Case Reserves as of 12/31/18		Estimated IBNR as of 12/31/18		Estimated Required Reserves as of 12/31/18	
1/1-12/31/05	\$	0	\$	0	\$	0
1/1-12/31/06		0		0		0
1/1-12/31/07		0		0		0
1/1-12/31/08		0		0		0
1/1-12/31/09	55	5,083		4,412		59,495
1/1-12/31/10	10	760	1	10,619		21,379
1/1-12/31/11	146	3,739	1	14,365	1	61,104
1/1-12/31/12	208	3,789	6	64,177	2	70,966
1/1-12/31/13	14	1,467	12	27,241	1-	41,708
1/1-12/31/14	404	1,754	23	37,485	6	42,239
1/1-12/31/15	27	2,107	22	28,190	5	00,297
1/1-12/31/16	1,24	2,996	1,04	40,353	2,2	83,349
1/1-12/31/17	1,384	1,534	1,37	74,812	2,7	59,346
1/1-12/31/18	57	5,446	1,85	51,284	2,4	26,730
Total	\$ 4,31	3,675	\$ 4,95	52,938	\$ 9,2	66,613



Table 45

UTAH COUNTIES INDEMNITY POOL

ALL COVERAGES

HISTORICAL PROFITABILITY ANALYSIS

A. ESTIMATED UNDERWRITING INCOME

Policy Period	Premium*	Operating Expenses*	Funds Available for Claims	Estimated Ultimate Incurred Losses	Unc	stimated derwriting ncome
1/1-12/31/01	\$ 3,222,871	\$ 1,489,185	\$ 1,733,686	\$ 1,715,000 <	\$	18,686
1/1-12/31/02	3,505,736	1,644,953	1,860,783	1,850,000 <		10,783
1/1-12/31/03	3,930,854	2,042,668	1,888,186	2,418,838 <	(530,652)
1/1-12/31/04	4,194,644	2,048,851	2,145,793	2,662,597 <	(516,804)
1/1-12/31/05	4,217,591	2,046,257 #	2,171,334	2,526,117	(354,783)
1/1-12/31/06	4,195,406	2,058,540 #	2,136,866	2,410,764	(273,898)
1/1-12/31/07	4,676,898	2,426,559 #	2,250,339	2,583,379	i	333,040)
1/1-12/31/08	5,146,934	2,145,715	3,001,219	3,204,919	(203,700)
1/1-12/31/09	5,573,525 ^	2,012,633 ^	3,560,892	3,004,187		556,705
1/1-12/31/10	5,710,286	2,444,578	3,265,708	3,546,306	(280,598)
1/1-12/31/11	5,922,572	2,401,787	3,520,785	3,112,364	- 3	408,421
1/1-12/31/12	6,282,067	2,625,921	3,656,146	3,697,398	(41,252)
1/1-12/31/13	5,085,489	2,679,532	2,405,957	2,741,525	(335,568)
1/1-12/31/14	4,590,930	2,400,993	2,189,937	3,019,614	(829,677)
1/1-12/31/15	5,150,384	2,551,287	2,599,097	1,774,973	- 3	824,124
1/1-12/31/16	5,829,233	2,495,762	3,333,471	3,619,045	(285,574)
1/1-12/31/17	6,100,557	2,502,091	3,598,466	4,050,355	ì	451,889)
1/1-12/31/18	6,123,084 ~	2,737,480 ~	3,385,604	3,336,777		48,827
Total	\$89,459,061	\$40,754,792	\$48,704,269	\$51,274,158	(\$2	2,569,889)

B. ESTIMATED FUND BALANCE

Policy Period	Und	timated lerwriting ncome	&	other come*		timated Income	Divi	dends*	Net	timated Income Dividends
1/1-12/31/01	\$	18,686	\$	434,407	\$	453,093			\$	453,093
1/1-12/31/02		10,783		237,750		248,533				248,533
1/1-12/31/03	(530,652)		223,149	(307,503)			(307,503)
1/1-12/31/04	(516,804)		230,501	(286,303)			ì	286,303)
1/1-12/31/05	(354,783)		400,393		45,610				45,610
1/1-12/31/06	(273,898)		618,976		345,078				345,078
1/1-12/31/07	(333,040)		554,819		221,779				221,779
1/1-12/31/08	(203,700)	(42,271)	(245,971)			(245,971)
1/1-12/31/09		556,705		176,378 ^		733,083			•	733,083
1/1-12/31/10	(280,598)		302,702		22,104				22,104
1/1-12/31/11		408,421		520,411		928,832				928,832
1/1-12/31/12	(41,252)		437,299		396,047				396,047
1/1-12/31/13	(335,568)	(16,887)	(352,455)	\$	91,328	(443,783)
1/1-12/31/14	(829,677)		560,974	(268,703)	10.82	Collide www.	ì	268,703)
1/1-12/31/15		824,124		229,670	` 1	,053,794			` ,	1.053,794
1/1-12/31/16	(285,574)		368,436		82,862				82,862
1/1-12/31/17	(451,889)		291,111	(160,778)			(160,778)
1/1-12/31/18		48,827		321,319 ~		370,146				370,146
Total	(\$2	2,569,889)	\$5	5,849,137	\$3	3,279,248	\$	91,328	\$3	3,187,920

- * From the audited financial statements.
- < Incurred losses as of 12/31/18 limited to specific and aggregate retentions.
- # Split administrative expenses 19% workers compensation and 81% multi-line at UCIP's request.
- ^ Split workers compensation and multi-line based on estimates provided by UCIP.
- ~ Estimated by UCIP.



Figure 6

ALL COVERAGES

HISTORICAL PROFITABILITY ANALYSIS

(Excluding Investment Income)

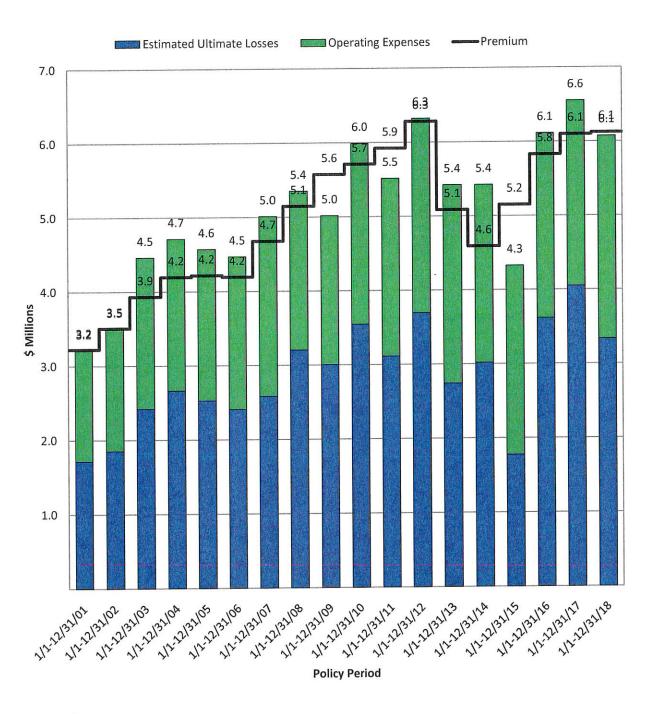




Table 46

ALL COVERAGES

LOSS RATIOS (Limited to Specific Retentions) (Net of Recoveries)

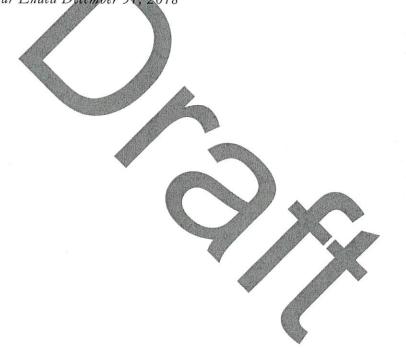
	Paid Loss	Incurred Loss	Estimated Ultimate	Permissible Loss Ratio (Funds	Combined Ratio [(Losses+
Policy	Ratio as	Ratio as	Incurred	Available/	Expenses)/
Period	of 12/31/18	of 12/31/18	Loss Ratio	Premium)	Premium]
1/1-12/31/05	0.599	0.599	0.599	0.515	1.084
1/1-12/31/06	0.575	0.575	0.575	0.509	1.065
1/1-12/31/07	0.552	0.552	0.552	0.481	1.071
1/1-12/31/08	0.623	0.623	0.623	0.583	1.040
1/1-12/31/09	0.528	0.538	0.539	0.639	0.900
1/1-12/31/10	0.617	0.619	0.621	0.572	1.049
1/1-12/31/11	0.498	0.523	0.526	0.594	0.931
1/1-12/31/12	0.545	0.578	0.589	0.582	1.007
1/1-12/31/13	0.511	0.514	0.539	0.473	1.066
1/1-12/31/14	0.518	0.606	0.658	0.477	1.181
1/1-12/31/15	0.247	0.300	0.345	0.505	0.840
1/1-12/31/16	0.229	0.442	0.621	0.572	1.049
1/1-12/31/17	0.212	0.439	0.664	0.590	1.074
1/1-12/31/18	0.149	0.243	0.545	0.553	0.992
Total			0.571	0.551	1.021



,				
*				

Utah Counties Indemnity Pool

FINANCIAL STATEMENTS, INDEPENDENT AUDITOR'S REPORT, REQUIRED SUPPLEMENTARY INFORMATION AND OTHER INDEPENDENT AUDITOR'S REPORTS For the Year Ended December 31, 2018





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Independent Auditor's Report

The Board of Directors **Utah Counties Indemnity Pool**

We have audited the accompanying financial statements of **Utah Counties Indemnity Pool** as of and for the year ended December 31, 2018, and the related notes to the financial statements, as listed in the foregoing table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statement in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statement referred to above present fairly, in all material respects, the financial position of **Utah Counties Indemnity Pool** as of December 31, 2018, and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that management's discussion and analysis, the reconciliation of the claims liability and losses and loss adjustment expenses, the contributions and loss development information, the schedule of the proportionate share of the net pension liability, and the schedule of



contributions, as listed in the table of contents, be presented to supplement the basic financial statements.

Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated April 18, 2019, on our consideration of the Pool's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, and contracts. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards and should be read in conjunction with this report in considering the results of our audits.

Salt Lake City, Utah April 19, 2019

MANAGEMENT'S DISCUSSION AND ANALYSIS



Management's Discussion and Analysis (Unaudited) Year Ended December 31, 2018

In conformity with Governmental Accounting Standards Board (GASB) Statement No. 34, the management of the Utah Counties Indemnity Pool (the Pool or UCIP) presents this Management's Discussion and Analysis for the readers of UCIP's financial statements. Our intent is to provide a narrative overview and analysis of the financial activities of UCIP for the fiscal year ended December 31, 2018. Readers are encouraged to consider this information in conjunction with the financial statements, notes to the financial statements and required supplementary information included in the independent auditors' report.

FINANCIAL STATEMENTS PROVIDED

Included in the independent auditors' report are the basic financial statements required under the GASB standards including:

- Statements of Net Position Accounts for all assets, deferred outflows or resources, liabilities and deferred inflows of resources of UCIP as of December 31, 2018, showing the balance of net position (assets and deferred outflows of resources minus liabilities and deferred inflows of resources) as of that date.
- Statements of Revenues, Expenses, and Changes in Net Position Accounts for all revenue and expenses accrued for the fiscal period, with calculation of the change in net position (revenue minus expenses) for the period. Expenses are classified as Operating Expenses (primarily consisting of expected losses to be paid and the cost of excess insurance covering catastrophic losses) and Administrative Expenses (primarily consisting of staff salaries and benefits and office operations). Expenses are further categorized to provide a level of detail appropriate for general management overview and control.
- Statements of Cash Flows Accounts for all revenues and expenses received or paid during the fiscal period with a calculation of net increase in cash and cash equivalents (revenue minus expenses) and total cash and cash equivalents at the end of the period. This statement provides a contrasting view of the revenues and expenses from the Statement of Revenues, Expenses, and Changes in Net Position as it accounts for revenues and expenses that were actually received or paid during the period, regardless of when the revenue was earned or due, or when the expense was accrued or invoiced.

BASIS OF ACCOUNTING METHODS

Financial statements provided in this report are reported using the Governmental Accounting Standards Board (GASB) basis of accounting. Traditional insurance companies often utilize statutory accounting methods in development of their financial statements that differ significantly from GASB accounting methods. Attempts to perform simple comparisons or benchmark analysis of a commercial carrier's financial reports and the financial reports contained here will likely yield distorted results.

Management's Discussion and Analysis (Unaudited) Year Ended December 31, 2018

CONDENSED FINANCIAL INFORMATION

The following Condensed Financial Statements are meant to provide a summary view of the audited financial statements as support for comments and analysis of the financial condition of UCIP offered by management in this letter.

Assets and Liabilities

Current assets increased \$3,156,048 at year end 2018 compared to the prior year-end. Investments decreased \$1,311,797 for the same period. Capital assets increased \$4,023 as a result of computer and equipment purchases. Deferred outflows of resources in the amount of \$142,815 for the year ended 2018 and \$168,435 for the year ended 2017 are reflected as a result of the implementation of GASB 68. Deferred outflows related to pensions decreased \$25,620. Total assets increased \$1,822,654 as of December 31, 2018 over the prior year.

Total liabilities at year-end 2018 increased \$831,073 over year-end 2017. This increase was primarily the result of a \$480,521 increase in member contributions paid in advance and a \$374,688 increase in reserves for losses and loss adjustment expense. Noncurrent liabilities in the year 2018 and 2017 are reflected as a result of the implementation of GASB 68, Accounting and Financial Reporting for Pensions. The statement requires employers providing defined benefit pensions through pension plans administered as trusts, to recognize their long-term obligation for those benefits as a liability. The Pool provides a defined pension plan to certain employees through the Utah Retirement Systems (URS) and therefore, the Pool has recorded a noncurrent liability of \$170,270 in 2018 and \$253,476 in 2017. Inflows related to pensions amounted to \$84,701 in 2018.

In 2018 and 2017, net position increased by \$990,894 and by \$268,263, respectively, during the fiscal years then ended.

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Management's Discussion and Analysis (Unaudited) Year Ended December 31, 2018

The condensed statements of net assets for the years ended 2018 and 2017 are shown as follows:

	2018	2017	Net Change
Assets:			
Current and other assets	\$13,811,044	\$10,654,996	\$ 3,156,048
Capital assets	542,719	538,696	4,023
Investments	2,686,091	3,997,888	(1,311,797)
Outflows related to pensions	142,815	168,435	(25,620)
Total assets	\$17,182,669	\$15,360,016	\$ 1,822,654
Liabilities:			
Current and other liabilities	\$ 1,665,032	\$ 1,166,784	\$ 498,248
Reserve for losses and loss adjustment	9,350,613	8,975,925	374,688
Noncurrent liabilities	170,270	253,476	(83,206)
Inflows related to pensions	84,701	42,671	42,030
Total liabilities	11,270,616	10,438,856	831,760
Net position:			
Invested in capital assets	542,719	538,696	4,023
Unrestricted	5,369,334	4,382,463	986,871
Total net position	5,912,053	4,921,159	990,894
Total liabilities and net position	\$17,182,669	\$15,360,016	\$ 1,822,654

Operating Revenue and Expense

Revenue from contributions increased \$23,610 for a total of \$6,124,167 in 2018. This increase is attributed to an increase in member exposures. Other income increased \$4,097 primarily from the sale of computers and equipment. Operating expenses decreased \$607,409 from the prior year due to a decrease in loss and loss adjustment expenses.

The condensed statements of operating revenue and expense for the years ended 2018 and 2017 are as follows:

	2018	2017	Net Change
Operating revenue:	-		
Contributions	\$ 6,124,167	\$ 6,100,557	\$ 23,610
Investment income	361,094	276,238	84,856
Other income	24,208	20,111	4,097
Total operating revenues	6,509,469	6,396,906	112,563
Operating expenses:			
Loss and loss adjustment expenses	2,818,293	3,621,314	(803,021)
Reinsurance coverage	1,702,872	1,593,158	109,714
Administration	994,831	908,933	85,898
Total operating expenses	5,515,996	6,123,405	(607,409)
Net operating income	993,473	273,501	719,972
Unrealized loss on investments	(2,579)	(5,238)	2,659
Change in net position	\$ 990,894	\$ 268,263	\$ 722,631

Management's Discussion and Analysis (Unaudited) Year Ended December 31, 2018

Investments

As a governmental subdivision regulated by the Money Management Council (MMC), UCIP invests the majority of funds in the Public Treasurers' Investment Fund (PTIF). Utilizing this "safe harbor" for compliance with the Money Management Act also provides UCIP significant liquidity and protection of capital in its invested assets. In 2018, UCIP created a new restricted account in the PTIF to comply with the MMC's Rule 4 for Interlocal Agencies providing crime insurance. \$125,000 equals 50% of the per occurrence limit of crime coverage.

In 2011, UCIP moved \$2,000,000 of invested funds to Zions Capital Advisors in anticipation of increasing investment rates. While investments with Zions Capital Advisors outperformed the PTIF by a small amount in 2018 and 2017, it is anticipated these investments will outpace the PTIF more significantly as the market strengthens.

Equity investments consist of equity ownership in County Reinsurance Limited (CRL), a property and liability reinsurance pool of county-based pools across the United States. UCIP is a member of CRL.

The condensed statements of cash and cash equivalents and investments for the years ended 2018 and 2017 are as follows:

	2018	2017	Net Change
Cash and cash equivalents:			
Cash on deposit	\$ 4,820,193	\$ 3,649,685	\$ 1,170,509
Public Treasurers' Investment Fund	8,602,694	6,655,839	1,946,855
Zions Capital Advisors	90,988	99,424	(8,436)
Total cash and cash equivalents	13,513,875	10,404,947	3,108,927
Investments:			
Investments - U.S. government securities	495,304	1,846,876	(1,351,572)
Equity investment in County Reinsurance Limited	2,190,787	2,151,012	39,775
Total investments	2,686,091	3,997,888	(1,311,797)
Total cash and cash equivalents and investment	ats \$16,199,966	\$14,402,835	\$ 1,797,129

Financial Position

The Net Asset Management Policy was adopted by the Board to actively manage UCIP's net position between 50-250% of annual revenue. The Policy provides that when net position exceeds 250% of annual revenue, the Board shall issue dividends unless the Board has specific needs for such surplus as described in the Net Asset Management Policy. Dividends may be issued as Experience Dividends, Equity Dividends and/or Member in Good Standing Dividends based on the UCIP Dividend Policy. Based on the 2018 member contributions of \$6,124,167, the surplus (net position) to contributions (revenue) ratio at year end 2018 was within the Net Asset Management Policy and industry standards.

Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2018

The condensed statements of changes in net position for the years ended 2018 and 2017 are as follows:

	2018	2017	Net Change		
Revenues and expenses:					
Revenues	\$ 6,506,890	\$ 6,391,668	\$	115,222	
Expenses	5,515,996	6,123,405		(607,409)	
Net income (loss)	990,894	268,263	46.511	722,631	
Net position, beginning of year	4,921,159	4,652,896		268,263	
Net position, end of year	\$ 5,912,053	\$ 4,921,159	\$	990,894	

BUDGET

Revenue

Actual 2018 revenues were \$179,385 more than budgeted due to investment income performance.

Losses and Reinsurance Expenses

Actual 2018 expenses were \$433,835 less than budgeted due to decreases in losses and loss adjustment expenses and reinsurance expense.

Administrative Expenses

Management closely monitored budgeted administrative expenses of \$1,041,000 and was able to operate with actual expenses of \$994,831. The savings on actual to budgeted expenses was achieved primarily in the area of office operations.

MARKET TRENDS IN 2018

Management anticipates continued competitive pressure due to protracted soft market conditions. To counteract this trend, management and the Board have worked to expand member services and strengthen its relationship with the Utah Association of Counties, which originally created UCIP.

Property

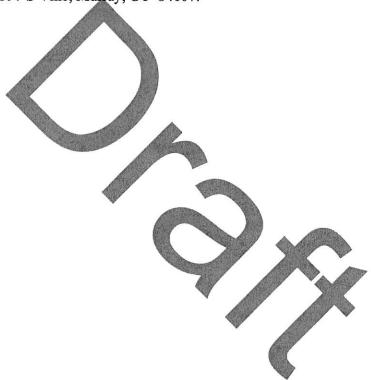
Changes in catastrophic loss models which significantly increased the modeled earthquake loss exposure for the entire state of Utah in 2011 were updated early in 2013 and again in 2016 with some reduction in the modeled earthquake exposure for portions of Utah, which may provide some relief on property reinsurance premiums from that budgeted for 2018.

Management's Discussion and Analysis (Unaudited)
Year Ended December 31, 2018

<u>Liability</u>

While the overall market conditions are believed to remain competitive, signs of carriers increasing liability premiums continued into 2018. Eventually, the liability market will increase premiums to improve their combined ratios to attract investors. This eventual "hardening" of the market will relieve some competitive pressure, but will also create increased reinsurance costs.

Questions concerning any of the information in this report, or any other matters related to UCIP's budget and finances should be addressed to the Chief Financial Officer, Utah Counties Indemnity Pool, 5397 S Vine, Murray, UT 84107.



Statement of Net Position

As of December 31, 2018

ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	\$	11,913,616
Short-term investments		1,600,259
Accounts receivable		1,987
Prepaid expenses		295,182
TOTAL CURRENT ASSETS		13,811,044
INVESTMENTS		2,686,091
PROPERTY AND EQUIPMENT		542,719
DEFERRED OUTFLOWS OF RESOURCES		142.015
Deferred outflows related to pensions	-	142,815
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$	17,182,669
		
LIABILITIES AND NET POSITION		
CURRENT LIABILITIES		
Reserves for losses and loss adjustment expenses	\$	9,350,613
Accrued expenses		117,156
Contributions paid in advance	. — .	1,547,876
TOTAL CURRENT LIABILITIES		11,015,645
NONCURRENT LIABILITIES	,	4=0.0=0
Net pension liability		170,270
DEFERRED INFLOWS OF RESOURCES		04.701
Deferred inflows related to pensions		84,701
TOTAL LIABILITIES AND		11 270 (16
DEFERRED INFLOWS OF RESOURCES		11,270,616
NET DOCUMENT		
NET POSITION		542 710
Net investment in capital assets		542,719
Unrestricted		5,369,334
TOTAL NET POSITION		3,912,033
TOTAL LIABILITIES, DEFERRED INFLOWS		
OF RESOURCES AND NET POSITION	\$	17,182,669
Of RESOURCES MAD THE FOSTITION	Ψ	17,102,007

Statement of Revenues, Expenses and Changes in Net Position For the Year Ended December 31, 2018

OPERATING INCOME Contributions Investment Income Other Income TOTAL OPERATING INCOME	\$	6,124,167 361,094 24,208 6,509,469
UNDERWRITING EXPENSES		
Losses and Loss Adjustment Expenses		2,818,293
Reinsurance Coverage		1,702,872
TOTAL ONDERWRITING EXPENSES		4,521,165
ADMINISTRATION EXPENSES		1,021,100
Directors		31,501
Depreciation		2,342
Risk Management		55,772
Public Relations		20,424
Office		98,382
Financial/Professional		90,543
Personnel		695,867
TOTAL ADMINISTRATION EXPENSES		994,831
TOTAL OPERATING EXPENSES		5,515,996
NET OPERATING INCOME		993,473
OTHER INCOME/(EXPENSES)	1	
Unrealized Loss on Marketable Securities		(2,579)
TOTAL OTHER EXPENSES	_	(2,579)
CHANGE IN NET POSITION		990,894
NET POSITION AT BEGINNING OF YEAR		4,921,159
NET POSITION AT END OF YEAR	\$	5,912,053

Statement of Cash Flows

For the Year Ended December 31, 2018

CASH FLOWS FROM OPERATING ACTIVITIES Contributions collected Other fees collected Reinsurance paid Losses and loss expenses paid Cash paid to employees Other administrative expenses paid CASH FLOWS PROVIDED BY OPERATING ACTIVITIES	\$	6,602,701 24,208 (1,748,005) (2,443,605) (745,623) (296,622) 1,393,054
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investments		(295,051)
Sale of investments		200,000
Investment income		323,898
Purchase of capital assets		88,238
NET CASH FLOWS PROVIDED BY INVESTING ACTIVITIES		317,084
NET INCREASE IN CASH AND CASH EQUIVALENTS		1,710,138
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR		10,203,478
CASH AND CASH ECON MEDIATO TO TELEVISION OF TELEVISION		
CASH AND CASH EQUIVALENTS AT END OF YEAR	\$	11,913,616
RECONCILIATION OF CHANGE IN NET POSITION TO NET CASH PROVIDED BY OPERATING ACTIVITIES Change in net position	\$	990,894
Adjustments to reconcile change in net position to net cash flows used by operating activities		2.242
Depreciation		2,342
Interest on investments		(321,319)
Increase in equity in CRL		(39,775)
Net outflows of resources relating to pension		(66,796)
Unrealized gain on investments		2,579
Accounts receivable		(1,987)
Reserves for loss and loss adjustment expenses		374,688
Accrued expenses		17,040
Contributions paid in advance	_	480,521
Total adjustments		402,160
NET CASH PROVIDED BY OPERATING ACTIVITIES	\$	1,393,054

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Operations

The Utah Counties Indemnity Pool (the Pool or UCIP) was incorporated in December 1991 as the Utah Association of Counties Insurance Mutual (the Mutual). In July 2003, the Mutual was renamed the Utah Counties Insurance Pool. In January 2012, the Pool was renamed the Utah Counties Indemnity Pool. The Pool is a non-profit Interlocal entity formed under Section 11-13-101 et. seq. *Utah Code Annotated*, 1953 as amended, operated as a joint liability reserve fund under Section 63G-7-703 and 801 for counties who enter into the Interlocal Agreement that creates UCIP. The Pool is referred to as a "public agency insurance mutual" under the insurance statutes of the State of Utah, Section 31A-1-103(7). All of the Pool's business activities are conducted in the State of Utah.

Accounting Principles

These financial statements are presented in accordance with accounting principles generally accepted in the United States of America (GAAP). The Pool has adopted Governmental Accounting Standards Board (GASB) Statement No 34, Basic Financial Statements and Management's Discussion and Analysis for State and Local Governments, GASB Statement No. 37, Basic Financial Statement and Management's Discussion and Analysis for State and Local Governments: Omnibus, and GASB Statement No. 38, Certain Financial Statement Note Disclosures. The Pool has also adopted GASB Statement No. 40, Deposit and Investment Risk Disclosures, GASB Statement No. 63, Financial Reporting of Deferred Outflows of Resources, Deferred Inflows of Resources and Net Position, and GASB Statement No. 68, Accounting and Financial Reporting for Pensions. With the implementation of these statements, the Pool has prepared required supplementary information titled "Management's Discussion and Analysis" which precedes the basic financial statements, has prepared a balance sheet classified between current and noncurrent assets and liabilities, has categorized net position as net invested in capital assets and unrestricted, has prepared the statements of cash flows on the direct method, and provided additional schedules to better communicate the financial status of the governmental entity.

The accounting policies of the Pool conform to accounting principles generally accepted in the United States of America in all material respects. The following is a summary of the more significant policies.

Basis of Accounting

The Pool reports as a single enterprise fund and uses the accrual method of accounting and the economic resources measurement focus. Under this method, revenues are recognized when they are earned, and expenses are recognized when they are incurred.

Use of Estimates

The preparation of financial statements in accordance with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amounts of revenue and expenses during the reporting period. Specifically, the Pool's reserves for losses and loss adjustment expenses are subject to change and actual results could differ from those estimates.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Pool is exempt from the payment of income taxes under Section 115 of the Internal Revenue Code.

Compensated Absences

Accumulated unpaid vacation and sick pay amounts are accrued when benefits vest to employees and the unpaid liability is reflected as accrued expenses.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Pool considers all highly liquid debt instruments with maturities of three months or less when purchased to be cash equivalents. Therefore, the investments in the Utah Public Treasurers' Fund (PTIF) and cash on deposit are considered to be cash equivalents.

Investments

Investments are comprised of various U.S. Government securities, certificates of deposit and investments in County Reinsurance Limited (CRL).

Investments in U.S. Government securities as of December 31, 2018 consist of held-to-maturity securities. Held-to-maturity securities are reported at cost, adjusted for amortization of premiums and accretion of discounts that are recognized in interest income using the effective interest method over the period to maturity.

The investments in CRL are valued using the equity method of accounting. Under the equity method, the Pool recognizes its proportionate share of the net earnings or losses of CRL, which represents its share of the undistributed earnings or losses of CRL.

Investment Valuation

The Association categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

- Level 1 inputs are quoted prices in active markets for identical assets;
- Level 2 inputs are significant other observable inputs;
- Level 3 inputs are significant unobservable inputs.

Contributions Paid in Advance

Contributions paid by members prior to January 1 of the next calendar year are considered to be deferred until January 1 and are reported as liabilities in the statement of net assets.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Ancillary Coverages

The Pool assists members in placing coverage for exposures not included in the coverage addendum, i.e., aircraft hull, airport liability, bonds, builder's risk, excess cyber liability, and workers compensation. The Pool does not receive any fees on monies collected for member coverage placement.

Contributions

Contributions are collected annually on January 1.

Capital Assets

Capital assets are defined by the Pool as assets with an initial individual cost of more than \$5,000. Capital assets are stated at cost less accumulated depreciation. Depreciation on furniture, equipment and electronic data processing equipment is provided over the estimated useful lives of the assets on the straight-line method. Useful lives vary from three to five years. Depreciation expense for the year ended December 31, 2018 amounted to \$2,342.

Net Asset Management

To assure that the Pool's assets are adequate without holding excessive net assets, the Pool manages net asset levels between 100% and 200% of annual revenue. Net assets should be controlled within a minimum of 50% and a maximum of 250% of annual revenue. The Pool utilizes a Rate Stabilization Fund and a Dividend Plan to manage net assets.

The Rate Stabilization Fund is utilized to designate surplus to fund unexpected increases in expenses, which necessitate increases in rates short term to allow rate increases to be made incrementally, or to negate temporary rate increases. The Rate Stabilization Fund is a Board-designated portion of unrestricted net assets to be deducted from the Total Net Assets (referred to as Unrestricted Net Position on the financial statements) when determining Net Assets available for payment of dividends to members and, as required by GASB, is reported as a designation only in the notes to the financial statements. The balance in the Rate Stabilization Fund at December 31, 2018 was \$200,000.

The Dividend Plan is utilized by the Board to return excess net assets to members.

The Net Asset Management Plan indicates net assets should not exceed 250% of contributions unless the Pool has specific needs for such surplus, which may include the following: expectation of new membership; development of a new line of coverage; development of new or expanded coverage; or development of new or expanded services.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 1- SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of the Utah Retirement Systems Pension Plan (URS) and additions to/deductions from URS's fiduciary net position have been determined on the same basis as they are reported by URS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

Deferred Outflows/Inflows of Resources

In addition to assets, the Pool reports a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and will not be recognized as an outflow of resources (expense/expenditure) until then. In addition to liabilities, the Pool reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and will not be recognized as an inflow of resources (revenue) until that time.

Reserves for Losses and Loss Adjustment Expenses

The reserves for losses and loss adjustment expenses include an amount actuarially determined from individual case estimates and loss reports and an amount based on past experience for losses incurred but not reported. The liabilities are based on the estimated ultimate cost of settling the claims, including the effects of inflation and other societal and economic factors. Such liabilities are necessarily based on assumptions and estimates and while management believes that amounts are adequate, the ultimate liability may be in excess of or less than the amount provided.

The Pool's actuary provides a range of estimates of the reserves for losses and loss adjustment expenses at three levels of confidence: low (50% confidence), expected (66% confidence) and high (80% confidence). Accounting standards require the Pool to book the "expected" level of reserves on their financial statements, and does not allow for the Board to designate or delineate any other amount in the range on the financial statements. In consideration of their duty to protect public funds and the inability of the Pool to assess members if reserves are not adequate, the Board prefers to reserve for claims with greater confidence than the 66% "expected" level.

To accomplish this, while complying with audit standards, the Board has adopted as part of their Net Asset Management Plan a Claims Deterioration Fund, an amount voluntarily designated by the Board as Net Assets to be deducted from Total Net Assets (referred to as Unrestricted Net Position on the financial statements) when determining Net Assets available for payment of dividends to members. The balance in the Claims Deterioration Fund at December 31, 2018 was \$430,000.

In 2013, the Board approved designating \$430,000 into the Claim Deterioration Fund to assure these additional funds are available if the "expected" claim reserves are ultimately found to be inadequate to pay all liabilities of the Pool. The Board believes managing Net Assets in this

Notes to the Financial Statements

Year Ended December 31, 2018

manner protects members from large rate increases in the event claims experience does deteriorate.

Subsequent Events

Management of the Pool has evaluated subsequent events through April 10, 2019, which is also the date the financial statements were available to be issued. No subsequent events were noted during this evaluation that requires recognition or disclosure in these financial statements.

NOTE 2- CASH AND CASH EQUIVALENTS AND INVESTMENTS

Listed below is a summary of the cash and investment portfolios as of December 31, 2018. Investing is governed by the prudent man rule in accordance with statutes of the State of Utah. All investments of the Pool are considered to have been made in accordance with these governing statutes including the State Money Management Act.

Cash and Cash Equivalents

Cash and cash equivalents of the Pool are carried at cost. The carrying amount of the cash on deposit, net of outstanding checks, is \$3,219,934 as of December 31, 2018. The corresponding bank balance of the deposits was \$3,229,823 as of December 31, 2018.

All of the Pool's cash on deposit bank accounts are noninterest-bearing. All noninterest-bearing and other depositors' accounts will be aggregated and insured up to the standard maximum deposit insurance amount of \$250,000 for each deposit insurance ownership category.

The Public Treasurers' Investment Fund (PTIF) is a pooled investment fund enabling public agencies to benefit from the higher yields offered on large denomination securities. The PTIF is similar in nature to a money market fund but the PTIF is subject to oversight by the State Money Management Council and all investments in PTIF are considered to be in compliance with the State Money Management Act.

The PTIF invests in corporate debt, U.S. Agency notes, certificates of deposit and commercial paper. The maximum final maturity of any security invested in by the PTIF is limited to five years.

The maximum weighted average life of the portfolio is limited to 90 days. There is no maturity date on an entity's investment in the PTIF. PTIF deposits are not insured or otherwise guaranteed by the State of Utah.

Zions Capital Advisors (ZCA) is an investment advisory firm certified by the State Money Management Council and all investments with ZCA are in compliance with the State Money Management Act. The maximum final maturity of any security invested in by ZCA is limited to three years. ZCA investments are not insured or otherwise guaranteed.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 2- CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

As of December 31, 2018, the Pool's cash and cash equivalents and investments included the following:

	2018
Cash on deposit	\$ 3,219,934
Public Treasurers' Investment Fund	8,602,694
Zions Capital Advisors	90,987
Total cash and cash equivalents	11,913,616
Investments - debt securities	2,095,563
Equity investment in County Reinsurance Limited	2,190,787
Total investments	4,286,350
Total cash and cash equivalents and investments	\$ 16,199,966

Custodial Credit Risk

The custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover deposits or will not be able to recover collateral securities that are in the possession of an outside party. The Pool's bank balances exceeded FDIC coverage by \$2,979,823 as of December 31, 2018.

Investments

The Pool records its investments in U.S. Government Securities at market value. The Pool records investments with County Reinsurance Limited (CRL) using the equity method of accounting. Investments in CRL are confirmed annually.

All other investments are through the Public Treasurers' Investment Fund (PTIF). The differences between book value and fair value, as of December 31, 2018 are as follows:

	Cost	Ur	Gross Unrealized Gains		Gross arealized Losses	Fair Value	Statement Value
Securities Equity	\$ 2,098,142 2,151,012	\$	10,076 39,775	\$	(12,655)	\$ 2,095,563 2,190,787	\$ 2,095,563 2,190,787
Total investments	\$ 4,249,154	\$	49,851	\$	(12,655)	\$ 4,286,350	\$ 4,286,350

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 2- CASH AND CASH EQUIVALENTS AND INVESTMENTS (CONTINUED)

Interest Rate Risk

Interest rate risk is the risk that changes in interest rates will adversely affect the fair value of an investment. The Pool's policy for managing interest rate risk is to comply with the State Money Management Act. The Act requires that the remaining term to maturity of investments may not exceed the period of availability of the funds to be invested. The Act further limits the remaining term to maturity of commercial paper to 270 days or less and fixed rate negotiable deposits and corporate obligations to 365 days or less. The Pool manages its exposure to declines in fair value by investing in the Public Treasurers' Investment Fund (PTIF) and other securities and by adhering to the Act.

Following are the Pool's investments at December 31, 2018:

				Investment Maturities (in years)				
Investment Type		ing Amount Fair Value	Less	than 1		1-5		
Debt securities:				-	B 1			
Corporate bonds	S	1,003,816	\$	=:	\$	1,003,816		
Mortgage backed securities	114	1,091,747		·		1,091,747		
Total debt securities	A	2,095,563	\	-		2,095,563		
Other investments:								
CRL equity	Allen	2,190,787						
Total Other Investments		2,190,787			and the same of th			
Total investments	\$	4,286,350	\gg	3/2				

Interest Rate Risk

Investments are measured at fair value on a recurring basis. Recurring fair value measurements are those that Governmental Accounting Standards Board (GASB) Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs used to measure an asset's fair value. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 inputs are significant unobservable inputs.

Investments' fair value measurements are as follows at December 31, 2018:

	Total	Level 1	Level 2		Level 3	
Asset class:						
Debt securities:						
Corporate bonds	\$ 1,003,816	\$1,003,816	\$	-	\$	_
Mortgage backed securities	1,091,747	1,091,747		-		-
Money market funds	90,987	- v	9	0,987		-
Public Treasurers Investment Fund	8,602,694	-	8,60	2,694		-
Total	\$ 10,789,244	\$2,095,563	\$ 8,69	3,681	\$	_

Notes to the Financial Statements

Year Ended December 31, 2018

Credit Risk

Credit risk is the risk that the counterparty to an investment will not fulfill its obligations. The Pool's policy for limiting the credit risk of investments is to comply with the State Money Management Act.

Investments are categorized into these three categories of credit risk:

Category One - Insured or registered, or securities held by the Pool or its agent in the Pool's name.

Category Two - Uninsured and unregistered, with securities held by the counterparty's trust department or agent in the Pool's name.

Category Three - Uninsured and unregistered, with securities held by the counterparty, or by its trust department or agent, not in the Pool's name.

As of December 31, 2018, investments in debt securities in the amount of \$2,095,563 are considered to be Category Three securities. As of December 31, 2018, Public Treasurers' Investment Fund (PTIF) investments and equity investments in County Reinsurance Limited (CRL), in the total amount of \$10,884,468, are uncategorized investments. \$125,000 of uncategorized PTIF investments is restricted by the Money Management Council's Rule Four of the Money Management Act.

NOTE 3- INVESTMENT INCOME

Investment income is comprised of the following as of December 31, 2018:

	2018
\$	44,464 39,775 276,855
\$	361,094
0.	
\$	276,855
3	276,855
	39,775
	(2,579)
	47,457
	(415)
	84,239
\$	361,094
	\$

NOTE 4- INTEREST RATE

The interest rate for assets held with the Utah Public Treasurers' Investment Fund (PTIF) was 2.7652 percent as of December 31, 2018.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 5- CAPITAL ASSETS

The capital assets and related accumulated depreciation of the Pool are as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets exempt from depreciation: Land	\$ 531,494	\$ -	\$ -	\$531,494
Total capital assets exempt from depreciation, net	531,494			531,494
Capital assets being depreciated:				
Office furniture and equipment	177,146	6,366	(88,237)	95,274
Total capital assets, being depreciated	177,146	6,366	(88,237)	95,274
Less accumulated depreciation for:				
Office furniture and equipment	(169,944)	(2,342)	88,237	(84,049)
Total accumulated depreciation	(169,944)	(2,342)	88,237	(84,049)
Total capital assets being depreciated, net	7,203	4,024	88,237	99,464
Total capital assets, net	\$ 538,696	\$ 10,389	\$ -	\$542,719

NOTE 6- REINSURANCE

Effective 2003, the Pool has purchased only specific excess coverage. The agreement provides for liability insurance in excess of a \$250,000 self-insured retention and property and crime insurance in excess of a \$250,000 self-insured retention.

Estimated claims loss liabilities of the Pool are stated net of estimated losses applicable to reinsurance coverage ceded to other insurance companies of \$393,024 as of December 31, 2018. However, the Pool is contingently liable for those amounts in the event such companies are unable to pay their portion of the claims.

Unsecured Reinsurance Recoverables

There are no letters of credit, trust agreements or funds withheld on reinsurance recoverables. The amount of \$215,662, as of December 31, 2018, exceeds three percent of the Pool's surplus and is considered unsecured recoverables on known claims.

Reinsurance Recoverable in Dispute

As of December 31, 2018, the Pool does not have any disputed balances or uncollectible funds.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 7- RETIREMENT PLANS

Pension Plans

Plan Description. Eligible plan participants are provided with pensions through the Utah Retirement Systems. Utah Retirement Systems are comprised of the following Pension Trust Funds:

- Public Employees Noncontributory Retirement System (Noncontributory System) is a multiple employer, cost sharing, public employee retirement system.
- Tier 2 Public Employees Contributory Retirement System (Tier 2 Public Employees System) is a multiple employer, cost sharing, public employee retirement system.

The Tier 2 Public Employees System became effective July 1, 2011. All eligible employees, beginning on or after July 1, 2011, who have no previous service credit with any of the Utah Retirement Systems, are members of the Tier 2 Retirement System.

The Utah Retirement Systems (Systems) are established and governed by the respective sections of Title 49 of the Utah Code Annotated 1953, as amended. The Systems' defined benefit plans are amended statutorily by the State Legislature. The Utah State Retirement Office Act in Title 49 provides for the administration of the Systems under the direction of the Utah State Retirement Board, whose members are appointed by the Governor. The Systems are fiduciary funds defined as pension (and other employee benefit) trust funds. Utah Retirement Systems is a component unit of the State of Utah. Title 49 of the Utah Code grants the authority to establish and amend the benefit terms.

Utah Retirement Systems issues a publicly available financial report that can be obtained by writing Utah Retirement Systems, 560 E 200 S, Salt Lake City, UT 84102 or visiting the website: www.urs.org.

Pension Plans (continued)

Benefits Provided. Utah Retirement Systems provides retirement, disability, and death benefits. Retirement benefits are as follows:

System	Final Average Salary	Years of Service Required	Benefit Percent per Year of Service	COLA**	
Noncontributory System			2.0% per year all years	Up to 4%	
Tier 2 Public Employees System	Highest 5 years	4 years age 65 35 years any age 20 years age 60* 10 years age 62* 4 years age 65	1.5% per year all years	Up to 2.5%	

With actuarial reductions

^{**} All post-retirement cost of living adjustments are non-compounding and are based on the original benefit except for Judges, which is a compounded benefit. The cost-of-living adjustments are also limited to the actual Consumer Price Index (CPI) increase for the year, although unused CPI increases not met may be carried forward to subsequent years.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 7 - RETIREMENT PLANS (CONTINUED)

Contribution Rate Summary. As a condition of participation in the Systems, employers and/or employees are required to contribute certain percentages of salary and wages as authorized by statute and specified by the Utah Retirement Systems Board. Contributions are actuarially determined as an amount that, when combined with employee contributions (where applicable) is expected to finance the costs of benefits earned by employees during the year, with an additional amount to finance any unfunded actuarial accrued liability.

Contribution rates as of December 31, 2018 are as follows:

Employee	Employer	Employer 401(k)
S. Contraction and Management		
N/A	15.54	1.15
N/A	18.47	N/A
N/A	6.69	10.00
	N/A N/A	N/A 15.54 N/A 18.47

Tier 2 rates include a staturoy requied contribution to finance the unfunded actuarial accrued liability of the Tier 1 plans

Pension Plans (continued)

For fiscal year ended December 31, 2018, the employer and employee contributions to the System were as follows:

System	Emp	loyer Contributions Employee Co	ontributions
Noncontributory System	\$	66,600	N/A
Tier 2 Public Employees System		5,832	.=
Tier 2 DC Only System		3,297	N/A
Total Contributions	\$	75,729 \$	

Contributions reported are the Utah Retirement Systems Board approved required contributions by System. Contributions in the Tier 2 Systems are used to finance the unfunded liabilities in the Tier 1 Systems.

Combined Pension Assets, Liabilities, Expense, and Deferred Outflows and Inflows of Resources Related to Pensions.

At December 31, 2018, we reported a net pension asset of \$0 and a net pension liability of \$170,270.

	(Me	asuremer	nt Date): Decer	mber 31, 2017			
	Net Pension		Net Pension	Proportionate	Proportionate Share	Change	
		Asset	Liability	Share	December 31, 2016	(Decrease)	
Noncontributory System	\$	-	\$169,980	0.0387967%	0.0393979%	(0.0006012)%	
Tier 2 Public Employees System		=:	290	0.0032876%	0.0044177%	(0.0011301)%	
	\$		\$170,270				

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 7 - RETIREMENT PLANS (CONTINUED)

The net pension asset and liability were measured as of December 31, 2017, and the total pension liability used to calculate the net pension asset and liability was determined by an actuarial valuation as of January 1, 2017 and rolled-forward using generally accepted actuarial procedures. The proportion of the net pension asset and liability is equal to the ratio of the employer's actual contributions to the Systems during the plan year over the total of all employer contributions to the System during the plan year.

For the year ended December 31, 2018 we recognized pension expense of \$60,163.

At December 31, 2018 we reported deferred outflows of resources and deferred inflows of resources relating to pensions for the following sources:

	Defe	red Outflows of	Deferred Inflows of
		Resources	 Resources
Differences between expected and actual experience	\$	3,803	\$ 10,673
Changes in assumptions	\$	61,446	\$ 4,000
Net difference between projected and actual earnings on pension plan investments	\$	- 0	\$ 59,829
Changes in proportion and differences between			
contributions and proportionate share of contributions	\$	1,837	\$ 10,199
Contributions subsequent to the measurement date	_\$	75,729	\$ -
	\$	142,815	\$ 84,701
A STATE OF THE STA	WILL PARTY.		

<u>Pension Plans Pension Assets, Liabilities, Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued)</u>

The amount of \$75,729 was reported as deferred outflows of resources related to pensions results from contributions made by the Pool prior to fiscal year end, but subsequent to the measurement date of December 31, 2017.

These contributions will be recognized as a reduction of the net pension liability in the upcoming fiscal year. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense as follows:

Deferred Outflows

Year Ended December 31,	(Inflows) of Resources
2018	5,904
2019	10,413
2020	(13,137)
2021	(21,021)
2022	(65)
Thereafter	290

Actuarial Assumptions. The total pension liability in the December 31, 2017, actuarial valuation was determined using the following actuarial assumptions, applied to all periods included in the measurement:

Inflation:

2.50 percent

Salary increases:

3.25 - 9.75 percent, average, including inflation

Investment rate of return:

6.95 percent, net of pension plan investment expense, including inflation

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 7 - RETIREMENT PLANS (CONTINUED)

Mortality rates were developed from actual experience and mortality tables, based on gender, occupation and age, as appropriate, with adjustments for future improvement in mortality based on Scale AA, a model developed by the Society of Actuaries.

The actuarial assumptions used in the January 1, 2017, valuation were based on the results of an actuarial experience study for the five year period ending December 31, 2016.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class and is applied consistently to each defined benefit pension plan. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation.

Pension Plans Actuarial Assumptions (continued)

The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

	Expecte	etic Basis	
	ASSE	Long Term	
	Target Asset	Real Return	expected portfolio
Asset Class	Allocation	Arithmetic Basis	real rate of return
Equity securities	40.00%	6.15%	2.46%
Debt securities	20.00%	40.00%	0.08%
Real assets	15.00%	5.75%	0.86%
Private equity	9.00%	9.95%	0.89%
Absolute return	16.00%	2.85%	0.46%
Cash and equivalents	0.00%	0,00%	0.00%
Totals	100.00%		4.75%
	Inflation	- V	2.50%
	7.25%		

The 6.95% assumed investment rate of return is comprised of an inflation rate of 2.50% and a real return of 4.45% that is net of investment expense.

Discount Rate. The discount rate used to measure the total pension liability was 6.95 percent. The projection of cash flows used to determine the discount rate assumed that employee contributions will be made at the current contribution rate and that contributions from all participating employers will be made at contractually required rates that are actuarially determined and certified by the Utah Retirement Systems Board. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability. The discount rate does not use the Municipal Bond Index Rate. The discount rate was reduced to 6.95 percent from 7.20 percent from the prior measurement period.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 7 - RETIREMENT PLANS (CONTINUED)

Sensitivity of the Proportionate Share of the Net Pension Asset and Liability to Changes in the Discount Rate. The following presents the proportionate share of the net pension liability calculated using the discount rate of 6.95 percent, as well as what the proportionate share of the net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.95 percent) or 1-percentage-point higher (7.95 percent) than the current rate:

	1% Decrease		Dis	scount Rate	1% Increase		
System	(5.95%)		(6.95%)		(7.95%)		
Noncontributory System	\$	459,706	\$	169,980	\$	(70,913)	
Tier 2 Public Employees System		3,413		290		(2,118)	
Total	\$	463,119	\$	170,270	\$	(73,031)	

Pension Plans (continued)

Defined Contribution Savings Plans. The Defined Contribution Savings Plans are administered by the Utah Retirement Systems Board and are generally supplemental plans to the basic retirement benefits of the Retirement Systems, but may also be used as a primary retirement plan. These plans are voluntary tax-advantaged retirement savings programs authorized under sections 401(k), 457(b) and 408 of the Internal Revenue code. Detailed information regarding plan provisions is available in the separately issued Utah Retirement Systems financial report.

The Pool participates in the 401(k) Defined Contribution Savings Plan with the Utah Retirement Systems.

Employee and employer contributions to the Utah Retirement Defined Contribution Savings Plans for the fiscal year ended December 31, were as follows:

401(k) Plan	2018	₩	2017	2016		
Employer Contributions	\$ 10,082	\$	6,574	\$	5,507	
Employee Contributions	\$ 14,000	\$	15,840	\$	16,157	

Employer Participating Retirement Plans

The Pool contributes an amount equal to the amount contributed by the employee into a 401(k) plan and/or a 457(b) plan (administered by the Utah State Retirement Systems, as noted above) and/or a 457(b) plan (administered by Nationwide Retirement Solutions), not to exceed five percent of the employee's eligible payroll. The total retirement expense for the Nationwide Retirement Solutions plan for the Pool as of December 31, 2018, 2017, and 2016 was \$23,311, \$20,271 and \$17,150, respectively.

Notes to the Financial Statements

Year Ended December 31, 2018

NOTE 8- UNPAID CLAIMS, LOSSES AND LOSS ADJUSTMENT EXPENSES

Reserves for incurred losses and loss adjustment expenses attributable to covered events of prior years has increased by \$374,688 in 2018 as a result of re-estimation of unpaid losses and loss adjustment expenses.

This change is the result of ongoing analysis of recent loss development trends. Original estimates change as additional information becomes known regarding individual claims.

The unpaid claims, losses and loss adjustment expenses of the Pool as of December 31, 2018 are:

	2018
Beginning balance	\$ 8,975,925
Incurred loss:	
Current year	3,336,777
Prior years	(\$393,447)
Change in total incurred	2,943,330
Paid:	
Current year	910,047
Prior years	\$1,658,595
Total paid	2,568,642
Balance at December 31	\$ 9,350,613

NOTE 9- CONTINGENCIES

The Pool is subject to litigation from the settlement of claims contested in the normal course of business. The losses from the actual settlement of such unknown claims are taken into consideration in the computation of the estimated unpaid loss and loss adjustment expense liabilities.

REQUIRED SUPPLEMENTARY INFORMATION



Schedule of Ten-Year Claims Development Information

The following table illustrates how the Pool's earned revenue (net of reinsurance) and investment income compare to related costs of loss (net of loss assumed by reinsurers) and other expenses assumed by the Pool as of the end of each of the past ten years. The rows of the table are defined as follows: (1) This line shows each fiscal year's net earned premiums, other operating revenues and interest income. (2) This line shows each year's other operating expenses including overhead and loss adjustment expenses not allocable to specific claims. (3) This line shows incurred losses and allocated loss adjustment expenses (both paid and accrued) as originally reported at the end of the first year in which the event that triggered coverage under the contract occurred. (4) This section of ten rows shows the cumulative amounts paid as of the end of successive years for each policy year. (5) This section of ten rows shows how each policy year's net incurred claims increased or decreased as of the end of the successive years: this annual estimation results from new information received on known claims, reevaluation of existing information on known claims, and emergence of new claims not previously known. (6) This line compares the latest reestimated incurred claims amount to the amount originally established (line 3) and show whether this latest estimate of net claims cost is greater or less than originally thought. As data for individual policy years mature, the correlation between original estimates and reestimated amounts commonly is used to evaluate the accuracy of net incurred claims currently recognized in less mature policy years. The columns of the table show data for successive policy years.

Fiscal and Policy Year Ended (in Thousands of Dollars)											
		2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
(1)	Earned premiums, other operating operating revenues and investment revenues, net of reinsurance	6,952	4,662	5,064	5,141	3,538	3,717	3,789	4,584	4,804	4,807
(2)	Unallocated expense		4	-	3=0	-	-	-	(4)	-	2
(3)	Estimated incurred claims and expenses, end of policy year:	2,881	2,876	3,129	3,619	3,152	3,666	3,066	3,273	3,554	3,337
(4)	Net paid (cumulative) as of: End of policy year One year later Two years later Three years later Four years later Five years later Six years later Seven years later Eight years later	1,126 1,246 1,781 2,142 1,465 3,654 2,815 2,905 2,927	584 932 1,601 2,500 2,958 3,256 3,335 3,472 3,525	995 1,542 1,719 2,153 2,185 2,615 2,869 2,951	347 1,538 2,310 2,637 3,005 3,160 3,426	586 1,377 1,869 2,386 2,573 2,600	1,344 1,549 1,830 2,103 2,377	894 1,017 1,125 1,275	833 1,045 1,336	793 1,291 - - - - - -	910 - - - - - -
(5)	Nine years later Reestimated net incurred claims and expenses:	2,945	#####################################						-	(=)	
	End of policy year One year later Two years later Three years later Four years later Five years later Six years later Seven years later Eight years later Nine years later	2,887 2,748 2,902 2,789 3,164 3,059 2,947 2,948 2,943 3,004	2,876 3,188 3,113 3,612 3,714 3,570 3,464 3,551 3,546	3,129 3,472 3,193 3,080 2,952 2,991 3,117 3,112	3,619 4,246 3,837 3,650 3,524 3,476 3,697	3,152 3,907 3,515 3,169 3,007 2,742	3,666 3,627 3,565 3,109 3,020 - -	3,066 2,781 2,200 1,775 - - - -	3,273 4,002 3,619 - - - - -	3,554 4,050 - - - - - - -	3,337
(6)	Increase (decrease) in estimated net incurred claims and expenses from end of policy year	123	670	(17)	78	(410)	(646)	(1,291)	346	496	£

Schedule of the Proportionate Share of the Net Pension Liability

The proportionate share of the Net Pension Liability (Asset) of the Pool for year ending December 31, 2018, 2017, 2016 and 2015 respectively is as follows:

2018 2017 2016 2015	0.0387967% 0.0393979% 0.0424078% 0.0412802%	\$ 169,980 \$ 252,983 \$ 239,964 \$ 179,248	\$ 342,770 \$ 351,178 \$ 369,111 \$ 355,770	49.59% 72.04% 65.01% 50.40%	91.90% 87.30% 87.80% 90.20%		0.0032876% 0.0044177% 0.0037343% 0.0039098%	\$ 290 \$ (8) \$	\$ 32,392 \$ 36,228 \$ 24,123 \$ 24,123		0.90% 1.36% -0.03%	97 40% 95 10% 100 20% 103 50%
	Noncontributory Retirement System Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	(asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage of the total pension liability (asset)	Tier 2 Public Employees Retirement System	Proportion of the net pension liability (asset)	Proportionate share of the net pension liability (asset)	Covered payroll	Proportionate share of the net pension liability	(asset) as a percentage of its covered-employee payroll	Plan fiduciary net position as a percentage

[&]quot;In accordance with paragraph 81a of GASB Statement No. 68, employers will need to disclose a 10-year history of their proportionate share of the Net Pension Liability (Asset). The Pool's 10-year schedule will be built prospectively. The schedule above is for the past four years.

Schedule of Contributions

The following presents the contributions as a percentage of covered-payroll for the Pool as of year ending December 31, 2017:

				Contributions in	ii				Contributions as
				relation to the	he				a percentage of
	As of Fiscal	-	Actuarial	contractually		Contribution	ū		covered
	year ended	P	Determined	required	þa	deficiency	ķ	Covered	employee
	December 31,	Cont	Contributions	contribution	u	(excess)	s)	payroll	payroll
Noncontributory System	2015	\$	68,175	\$ 68,175	5	\$	5	\$ 369,111	18.47%
	2016	S	64,862	\$ 64,682	7	∽	دی	\$ 351,178	18.47%
	2017		63,310	63,310	0		0	342,770	18.47%
	2018		009,99	66,600	0		0	360,584	18.47%
Tier 2 Public Employees System*	2015	€9	3,600	\$ 3,600	0	s	9	\$ 24,123	14.92%
	2016	↔	5,402	\$ 5,402	7	\$	6 9	36,228	14.91%
	2017		4,846	4,846	9		0	32,392	14.96%
	2018		5,832	5,832	2		0	37,995	15.35%
System*	2015	↔	1	S	, ,	\$	دی	1	0.00%
	2016	↔	ı	8	-	8	<i>S</i>	1	0.00%
	2017		1,071	1,071				16,010	%69.9
	2018		3,297	3,297	-		0	49,281	%69'9

*Contributions in Tier 2 include an amortization rate to help fund the unfunded liabilities in the Tier 1 systems. Tier 2 systems were created effective July 1, 2011.

Paragraph 81.b of GASB 68 requires employers to disclose a 10-year history of contributions in RSI. Contributions as a percentage of covered-payroll may be difference than the board certified rate due to rounding and other administrative issues. The schedule above is for the past four years.

Notes to Required Supplementary Information

Changes in Assumptions

AS a result of an experience study conducted as of December 31, 2016, the board adopted recommended changes to several economic and demographic assumptions that are used in the actuarial valuation. The assumption changes that had the largest impact on the total pension liability (and actuarial accrued liability) include a decrease in the investment return assumption from 7.20% to 6.95%, a reduction in the price inflation assumption from 2.60% to 2.50% (which also resulted in a corresponding decrease in the cost-of-living-adjustment assumption for the funds with a 4.00% annual COLA max), and the adoption of an updated retiree mortality table that is developed using URS's actual retiree mortality experience. There were changes to several other demographic assumptions, but those changes has a minimal impact on the total pension liability (and actuarial accrued liability).



OTHER INDEPENDENT AUDITOR'S REPORTS





Independent Auditor's Report On Internal Control Over Financial Reporting And On Compliance And Other Matters Based On An Audit Of Financial Statements Performed In Accordance With Government Auditing Standards

The Board of Directors **Utah Counties Indemnity Pool**

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Pool, as of and for the year ended December 31, 2018, and the related notes to the financial statements, which collectively comprise the Pool's basic financial statements, and have issued our report thereon dated April 18, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the Pool's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Pool's internal control. Accordingly, we do not express an opinion on the effectiveness of the Pool's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Pool's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts.



The Board of Directors **Utah Counties Indemnity Pool**April 18, 2019

Page 2

However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.





Independent Auditor's Report on Compliance and Report on Internal Control Over Compliance as Required by the State Compliance Audit Guide

The Board of Directors **Utah Counties Indemnity Pool**

Report on Compliance with General State Compliance Requirements

We have audited **Utah Counties Indemnity Pool's** compliance with the applicable general state program compliance requirements described in the *State Compliance Audit Guide*, issued by the Office of the Utah State Auditor that could have a direct and material effect on **Utah Counties Indemnity Pool** for the year ended December 31, 2018.

General state compliance requirements were tested for the year ended December 31, 2018 in the following areas:

Budgetary Compliance
Utah Retirement Systems
Open and Public Meetings Act
Treasurer's Bond

Management's Responsibility

Management is responsible for compliance with the general state requirements referred to above.

Auditor's Responsibility

Our responsibility is to express an opinion on **Utah Counties Indemnity Pool's compliance** based on our audit of the compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States; and the *State Compliance Audit Guide*.

Those standards and the State Compliance Audit Guide require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the compliance requirements referred to above that could have a direct and material effect on Utah Counties Indemnity Pool. An audit includes examining, on a test basis, evidence about the Utah Counties Indemnity Pool compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance with general state compliance requirements. However, our audit does not provide a legal determination of **Utah Counties Indemnity Pool's** compliance.

Opinion on General State Compliance Requirements

In our opinion, **Utah Counties Indemnity Pool**, complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on **Utah Counties Indemnity Pool** for the year ended December 31, 2018.



The Board of Directors **Utah Counties Indemnity Pool** April 18, 2019 Page 2

Other Matters

The results of our auditing procedures disclosed no instances of noncompliance.

Report on Internal Control over Compliance

Management of **Utah Counties Indemnity Pool** is responsible for establishing and maintaining effective internal control over compliance with the compliance requirements referred to above. In planning and performing our audit of compliance, we considered **Utah Counties Indemnity Pool's** internal control over compliance with the compliance requirements that could have a direct and material effect on **Utah Counties Indemnity Pool** to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance with general state compliance requirements and for each major state program and to test and report on internal control over compliance in accordance with the *State Compliance Audit Guide*, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance.

Accordingly, we do not express an opinion on the effectiveness of Utah Counties Indemnity Pool's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that a material noncompliance with a general state or major state program compliance requirement will not be prevented, or detected and corrected on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with general state or major state program compliance requirements that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control and compliance and the results of that testing based on the requirements of the *State Compliance Audit Guide*. Accordingly, this report is not suitable for any other purpose.

Salt Lake City, Utah April 18, 2019

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Utah Counties Indemnity Pool

MANAGEMENT LETTER

For the Year Ended December 31, 2018





April 18, 2019

To the Board Members and Management **Utah Counties Indemnity Pool**:

We have audited the financial statements of **Utah Counties Indemnity Pool** (the Pool) for the year ended December 31, 2018. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated December 20, 2018. Professional standards also require that we communicate to you the following information related to our audit.

Qualitative Aspects of Accounting Practices

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by the Pool are described in Note 1 to the financial statements. There were no new accounting policies adopted and the application of existing policies was not changed during 2018. We noted no transactions entered into by the Pool during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the Association's financial statements were:

Management's estimate of the reserves for losses and loss adjustment expenses is based on the actuarial opinion prepared by Mary Jean King, FCAS, CERA, MAAA, of By the Numbers Actuarial Consulting, Inc. We evaluated the key factors and assumptions used to develop the reserves for losses and loss adjustment expenses in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosure affecting the financial statements was:

The disclosure of losses and loss adjustment expenses in Note 8 to the financial statements related to the Pool's reserves estimate.

The financial statement disclosures are neutral, consistent, and clear.



Board Members and Management Utah Counties Indemnity Pool April 18, 2019

Difficulties Encountered in Performing the Audit

We encountered no significant difficulties in dealing with management in performing and completing our audit.

Corrected and Uncorrected Misstatements

Professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that are clearly trivial and communicate them to the appropriate level of management. Management has corrected all such misstatements.

Disagreements with Management

For purposes of this letter, a disagreement with management is a financial accounting, reporting or auditing matter, whether or not resolved to our satisfaction that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

Management Representations

We have requested certain representations from management that are included in the management representation letter dated April 18, 2019.

Management Consultations with Other Independent Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the governmental unit's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

Other Audit Findings or Issues

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Pool's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

Other Matters

We applied certain limited procedures to the Schedule of Ten-Year Claims Development Information, the Schedule of the Proportionate Share of the Net Pension Liability, and the Schedule of Contributions, all of which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial

Board Members and Management Utah Counties Indemnity Pool April 18, 2019

statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

Lavar 1 Company P. C.

Larson & Company, PC Salt Lake City, Utah

Board Members and Management **Utah Counties Indemnity Pool** April 18, 2019

Schedule of Findings and Recommendations – Current Year

Internal Control Findings – Current Year

There were no Internal Control Findings noted for the period.

State Compliance Findings – Current Year

There were no State Compliance Findings noted for the period.

Status of Findings - Prior Year

Internal Control Findings – Prior Year

There were no Internal Control Findings noted in the prior year.

State Compliance Findings – Current Year

There were no State Compliance Findings noted in the prior period.



UCIP Board of Directors Meeting

April 18, 2019 Salt Lake City, UT



COUNTY REINSURANCE, LIMITED

Contents

- · Introduction to CRL
- CRL Reinsurance Structure
- CRL Financial Update
- CRL Property Plus

Background on CRL

- A number of County Association Executive Directors and Pool Managers began discussions about forming a national reinsurance program.
- The National Council of County Association Executives (NCCAE), through NACo, facilitated meetings.
- 1994 First Committee Meeting
- · 1996 Feasibility Study Completed
- 1997 CRL established as a Vermont Captive with 5 states and 8 pools participating.
- 2019 22 years, 18 States, and 27 members

CRL Members

Arizona Counties Insurance Pool Workers' Compensation Pool

Association County Commissioners of Georgia Property and Liability Pool Workers' Compensation Pool

Association of Arkansas Counties Workers' Compensation Pool

Association of County Commissioners of Oklahoma Property and Liability Pool

Association of County Commissions of Alabama Property and Liability Pool Workers' Compensation Pool

County Commissioners Association of Pennsylvania Liability Pool Workers' Compensation Pool

Kansas County Association Multiline Pool Property and Liability Pool

Kentucky Association of Counties Liability Pool (Cyber) Workers' Compensation Pool

Mississippi Association of Counties Property and Liability Pool Missouri Association of Counties Workers' Compensation Pool

Nebraska Intergovernmental Risk Management Assoc.
Property and Liability Pool
Workers' Compensation Pool

Vevada

Liability Pool (NPAIP) Workers' Compensation Pool (PACT)

New Mexico Association of Counties Property Pool Workers' Compensation Pool

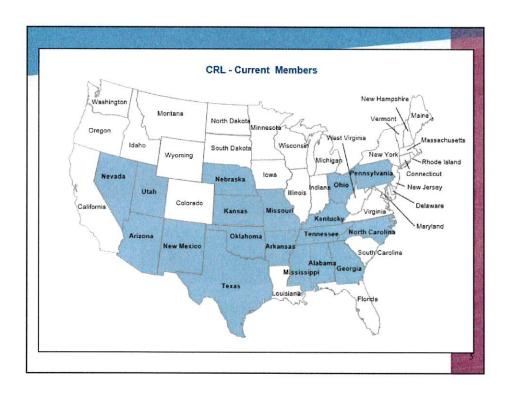
NC Association of County Commissioners Property and Liability Pool Workers' Compensation Pool

Ohio (County Risk Sharing Authority) Property and Liability Pool

Tennessee Counties LGIP
Property and Liability Pool
Workers Compensation Pool

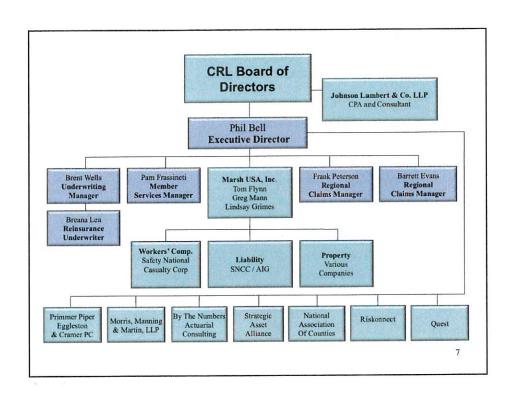
Texas Association of Counties Property, Liability, and Workers' Compensation Pool

Utah Counties Indemnity Pool Property and Liability Pool



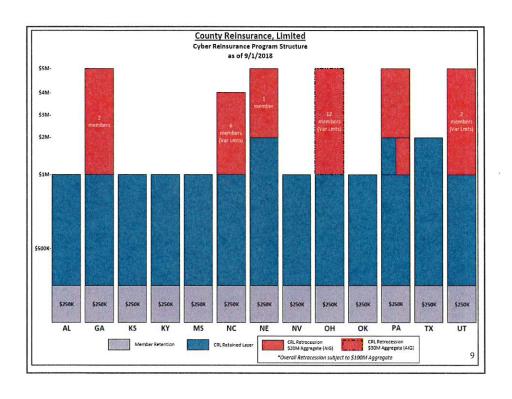
What are the Benefits?

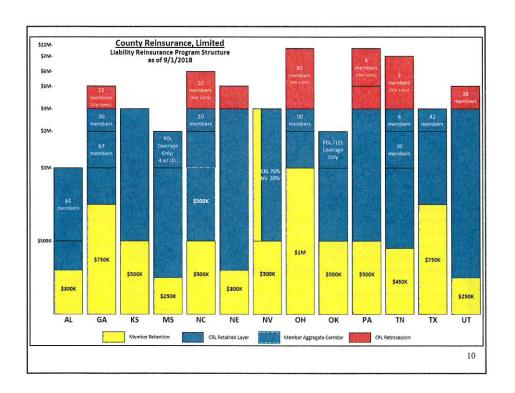
- We specialize in Counties and County-related entities.
- A "Pool" for "Pools"
- Ownership = Control
- Sharing Program Ideas
- Long Term Stability
- Profits and Investment Income belong to Members
- Claim Audits, Policy Form Reviews, Training

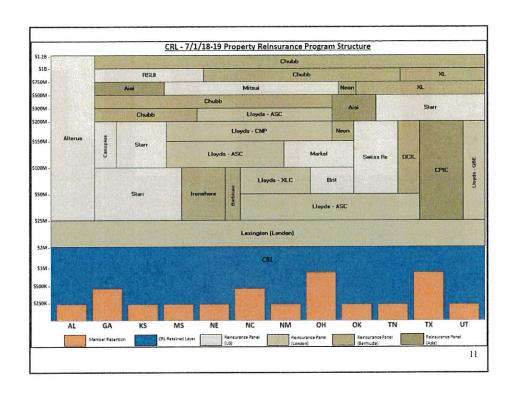


CRL Reinsurance Structure

- Cyber Liability Structure
- Liability Structure
- Property Structure



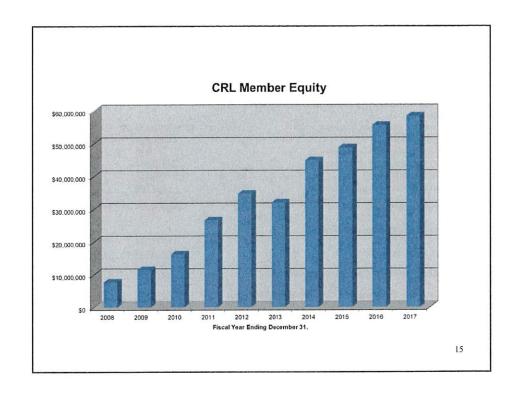


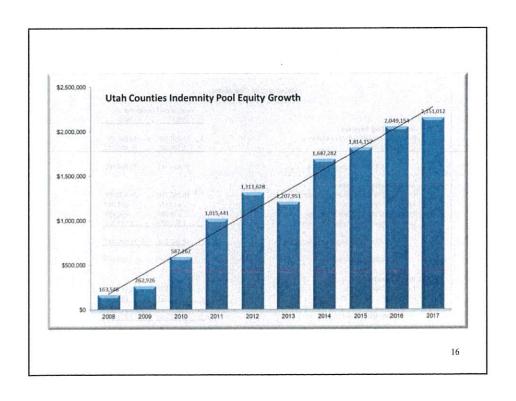


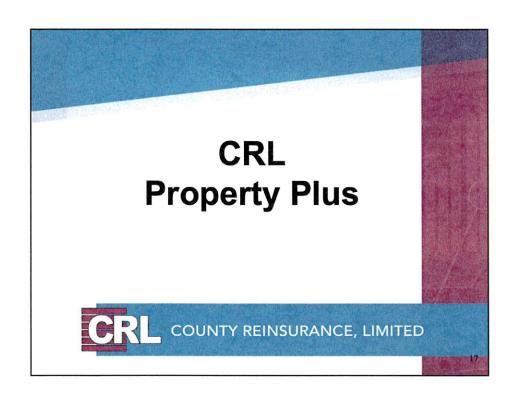
County Reinsurance	e, Limited	
Balance Shee	ets	
	At De	cember 31,
	2017	2016
Assets		
Tash and cash equivalents	\$ 7,257,78	32 \$ 4,913,668
Auction rate securities	350,00	350,000
ixed-maturity securities, at fair value	206,982,73	200,687,853
xchange traded funds, at fair value	12,268,84	10,064,918
Mutual funds, at fair value	2,905,77	6 2,397,812
Accrued investment income	1,110,81	6 1,037,011
Premiums receivable	12,13	8,297
Reinsurance recoverable - unpaid losses	4,922,75	5,046,256
Deferred policy acquisition costs	25,35	23,713
Property, furniture and equipment, net of accumulated		
depreciation	440,19	459,209
Prepaid reinsurance premiums	897,28	915,102
Other assets	220,70	06 171,781
Total Assets	\$ 237.394.38	32 \$ 226,075,620

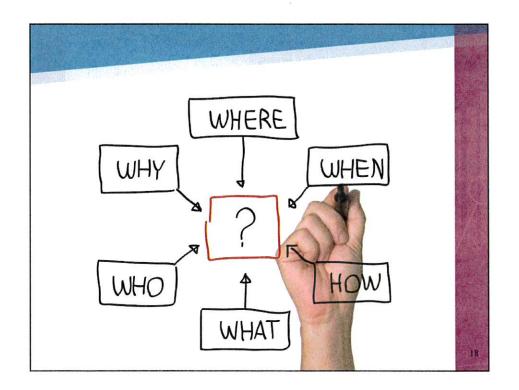
Liabilities and Mambars' Contributions and Sumber				
Liabilities and Members' Contributions and Surplus Liabilities				
Losses and loss adjustment expenses	\$	163,366,450	\$	156,140,654
Unearned premiums		14,700,554		13,319,098
Ceded reinsurance balances payable		430		3-2
Accounts payable and accrued expenses		250,964		365,932
Premium taxes payable		65,511		62,298
Deferred ceding commission income	****	614,880		602,765
Total Liabilities		178,998,789		170,490,747
Members' Contributions and Surplus				
Members' contributions		11,071,974		11,071,974
Retained earnings	_	47,323,619	_	44,512,899
Total Members' Contributions and Surplus		58,395,593	_	55,584,873
Total Liabilities and Members' Contributions and Surplus	4	237 394 382	¢	226,075,620

County Rei	surance, Limited
Statement	s of Operations
	productivy y the Mercanthic track to the Print.
	Years ended December 31,
Underwriting Revenue	2017 2016
Premiums earned, net of reinsurance	\$ 32,058,705 \$ 30,897,291
Commission income	1,396,606 1,407,574
Total Underwriting Revenue	33,455,311 32,304,865
rotal oliderwitting kevelide	35,433,311 32,304,003
Underwriting Expenses	
Losses and loss adjustment expenses	36,287,370 29,554,894
Policy acquisition costs	213,872 211,440
Professional and management fees	219,649 202,491
General and administrative expenses	1.661.425 1.511.122
Total Underwriting Expenses	38,382,316 31,479,947
Operating (Loss) Income	(4,927,005) 824,918
Investment Income	
Net investment income	6,951,698 5,471,032
Net realized gains on investments	786,027 282,395
Total Investment Income	7,737,725 5,753,427
Net Income	\$ 2,810,720 \$ 6,578,345









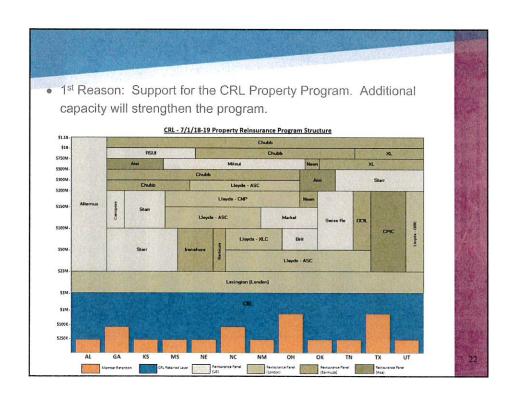
What?

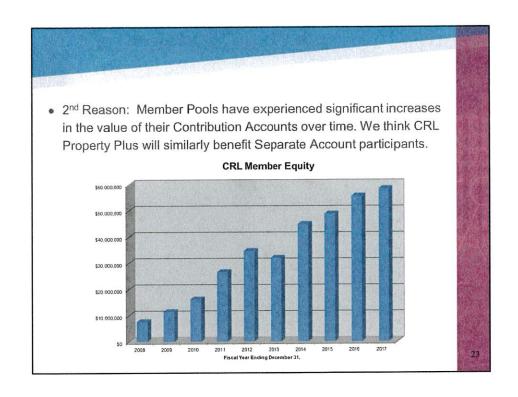
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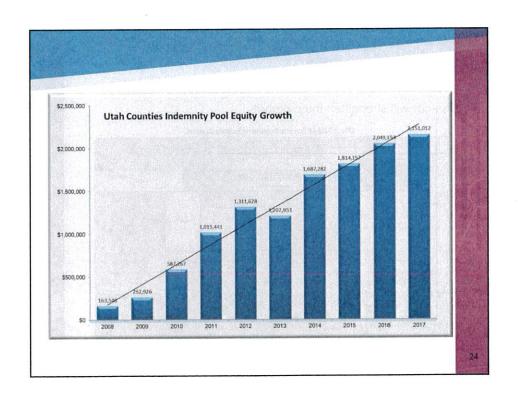
What is CRL Property Plus?

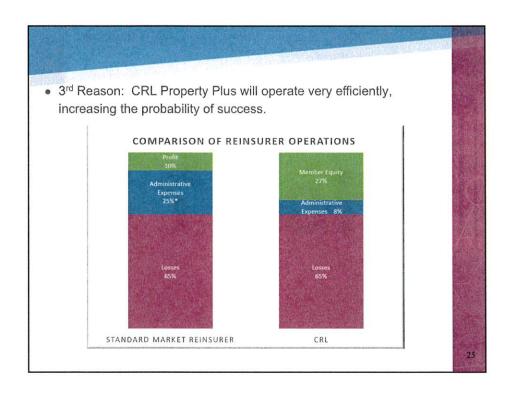
- Vermont captive law allows the creation of a "Separate Account" within an existing captive insurance company. The plan must be approved by the state regulator.
- Assets, liabilities, and surplus must be kept separate from the core CRL reinsurance operations.
- This mechanism allows owners to consider new business opportunities without affecting the results of the core operations.
- We think property reinsurance is an excellent business opportunity for CRL. CRL Property Plus is the proposed name.

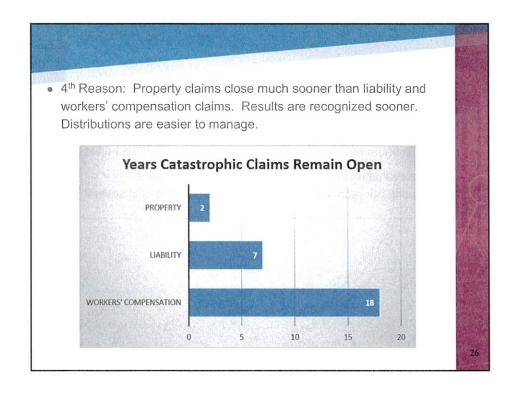
Why?









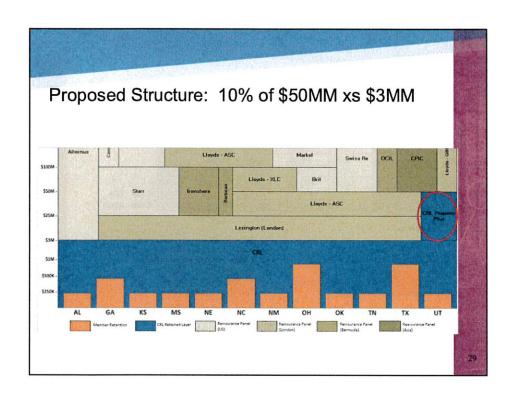


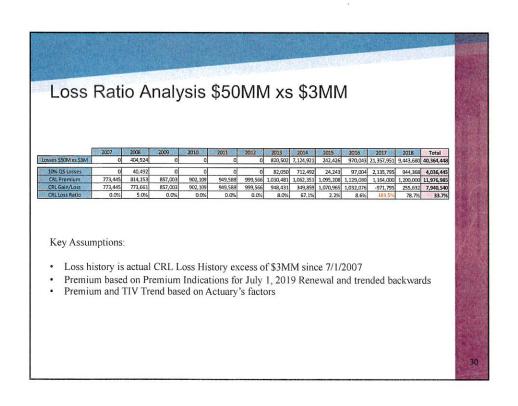
How?

2

Here are our Recommendations

- CRL will seek contributions from interested CRL members. We think a minimum of \$20M total is necessary. More would be better.
- We have evaluated loss information and structure options.
 Analysis and our recommendations options are on the next several slides.





Pro-Forma Financial Statements 2019-2023

	2019	2020	2021	2022	2023	
Cash at Beginning		21,316,880	22,694,773	24,136,154	25,643,593	
CRL Premium	1,200,000	1,236,000	1,273,080	1,311,272	1,350,611	
Ceding Commission	-96,000	-98,880	-101,846	-104,902	-108,049	
10% QS Losses	-408,000	-420,240	-432,847	-445,833	-459,208	
Investment Income (3%)	620,880	661,013	702,995	746,901	792,808	
Distributions	0	0	0	0	-7,219,755	36.1
Cash at End	21 316 880	22 694 773	24.136.154	25.643.593	20.000.000	6.3

36% AROA

Key Assumptions:

- Starting Amount: \$20,000,000
- Starting Amount: \$20,000,000
 Premium grows at 3% annually
 Ceding Commission = 8%
- Ceding Commission = 8%
- Loss Ratio based on 11 year CRL average
- Losses grow at 3% annually
- · Investment income based on portfolio yield
- · Distributions calculated at the end of year 5
- Return on Assets = 36.10%
- Average Return on Assets = 6.36%
- · This is not a guarantee

*The pro forma financial statements and contribution examples are intended for the purpose of illustrative projections to facilitate analysis and are not guaranteed by CRL. Past performance is not an indicator of future results.

Member Contribution Examples

AROA:

Contribution	Year 1	Year 2	Year 3	Year 4	Year 5	Distribution Projection
500,000	531,800	565,622	601,596	639,858	680,553	180,553
750,000	797,700	848,434	902,394	959,786	1,020,829	270,829
1,000,000	1,063,600	1,131,245	1,203,192	1,279,715	1,361,105	361,105
1.250.000	1,329,500	1,414,056	1,503,990	1,599,644	1,701,381	451,381

*Distribution projection assumes a 33.7% Loss Ratio in each example and that the member pool has satisfied the eligibility requirements for distributions set forth in Article IX, Section of the Bylaws. Any distribution amounts would be based on calculations of the loss experience formula and longevity formula for each eligible member pool as set forth in Article IX, Section of the Bylaws.

*The pro forma financial statements and contribution examples are intended for the purpose of illustrative projections to facilitate analysis and are not guaranteed by CRL. Past performance is not an indicator of future results.

How would CRL Property Plus operate?

- CRL would follow the pricing of the "lead" underwriter for that layer of the program. This reduces costs. This is consistent with our current program; we already have "lead" and "following" underwriters.
- Ceding commissions would still be paid to the CRL members in the property program at 8%, consistent with other participants.
- · Financial performance would be tracked separately.
- CRL Property Plus committee members oversee the Separate Account and CRL Property Plus program through CRL Staff, subject to control of the CRL Board of Directors.
- Separate Account contributions to CRL Property Plus give more voting rights in CRL (diluted 50% to preserve the value of the core program).
- Additional costs to CRL would be nominal.

-3

When?

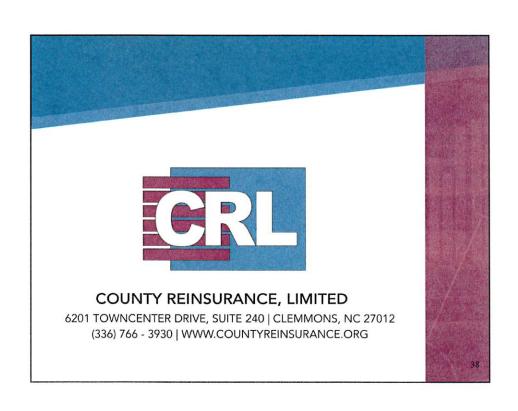
When will CRL Property Plus start?

- Our goal is to start the program on July 1, 2019, the next renewal.
- An Ad-hoc committee has been formed to make initial decisions on the program.
- CRL Bylaws have been amended and approved by the Vermont Regulator.
- · CRL is actively discussing contribution support with CRL members.
- Final approval from the Board is scheduled for May 2019, and information will go to the Regulator shortly thereafter.

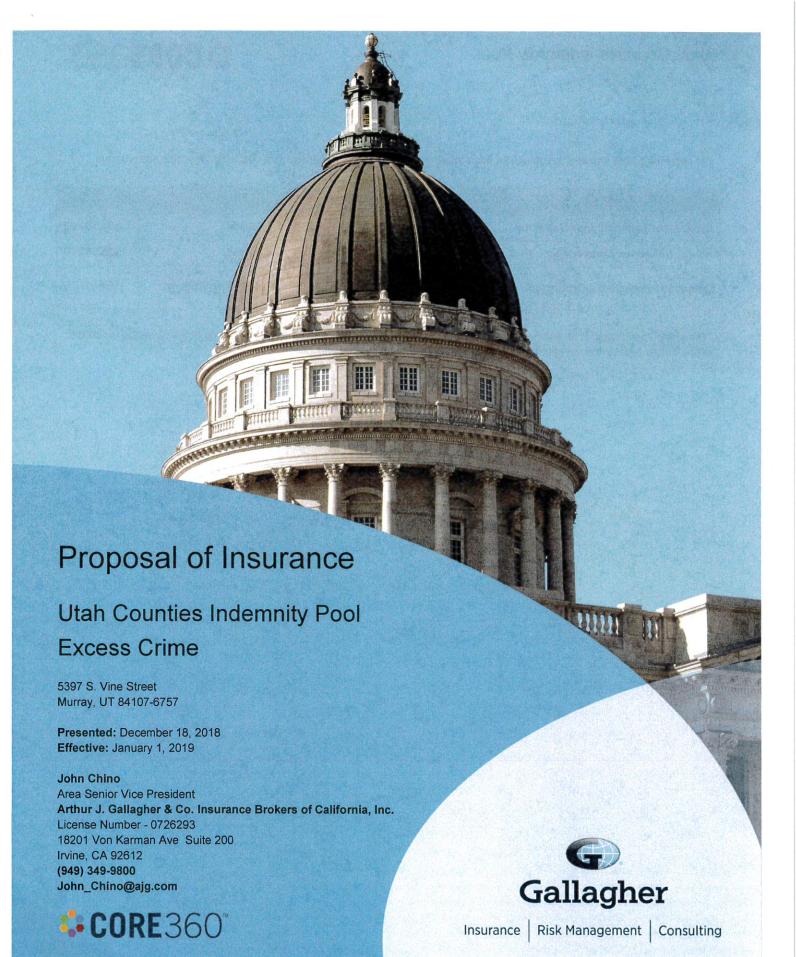




CRL Propert
CRL Member
Texas
Ohio
Tennessee
North Carolina Utah Georgia Nebraska Kansas Alabama New Mexico* Oklahoma* Mississispi*
Total



	u .		
4			



Utah Counties Indemnity Pool



Market Review

We approached the following carriers in an effort to provide the most comprehensive and cost effective insurance program.

INSURANCE COMPANY	LINE OF COVERAGE	RESPONSE	PREMIUM
Great American Insurance Company	Excess Crime (\$7.5M xs \$2.5M)	Quoted	\$31,702.00
Hiscox Insurance Company Inc.	Excess Crime (\$5M xs \$5M)	Quoted	\$35,591.00
American International Group, Inc	Excess Crime (current limit increase to \$5M)	Indication (Written)*	\$54,157.00

^{*}The premium indicated is an estimate provided by the market. The actual premium and acceptance of the coverage requested will be determined by the market after a thorough review of the completed application.

Utah Counties Indemnity Pool

FINANCIAL STATEMENTS

Quarter Ending March 31, 2019

Utah Counties Indemnity Pool

First Quarter 2019 Financial Statements

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I have compiled the accompanying, in-house prepared, unaudited account balances arising from cash transactions and from accrual transactions of the Utah Counties Indemnity Pool as of March 31, 2019 to the basic financial statements.

Sonya White Chief Financial Officer 801-307-2113 sonya@ucip.utah.gov

leviewed this	day of	, 2019	
y:			

UTAH COUNTIES INDEMNITY POOL

STATEMENT of NET POSITION

Quarter Ended March 31, 2019

	Mar 31, 2019	Dec 31, 2018	Mar 31, 2018
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	\$ 15,681,663	\$ 11,913,616	\$ 13,468,563
Short-term investments	999,198	1,600,259	903,416
Accounts receivable	-	1,987	3,782
Prepaid expenses	1,022,947	295,182	1,066,684
TOTAL CURRENT ASSETS	17,703,807	13,811,044	15,442,444
INVESTMENTS	3,043,851	2,686,091	3,339,515
PROPERTY AND EQUIPMENT	541,998	542,719	538,910
DEFERRED OUTFLOWS OF RESOURCES			
Deferred outflows related to pensions	142,815	142,815	168,435
TOTAL ASSETS AND			
DEFERRED OUTFLOWS OF RESOURCES	\$ 21,432,472	\$ 17,182,669	\$ 19,489,304
LIABILITIES AND NET POSITION CURRENT LIABILITIES			
Reserves for losses and loss adjustment expenses	\$ 9,350,613	\$ 9,350,613	8,975,925
Accrued expenses	122,820	117,156	102,161
Contributions paid in advance	5,073,473	1,547,876	4,585,229
TOTAL CURRENT LIABILITIES	14,546,906	11,015,645	13,663,315
NONCURRENT LIABILITIES			
Net pension liability	170,270	170,270	253,476
DEFERRED INFLOWS OF RESOURCES			
Deferred inflows related to pensions	84,701	84,701	42,671
NET POSITION			
Net investment in capital assets	541,998	542,719	538,910
Unrestricted	6,088,597	5,369,334	4,990,932
TOTAL NET POSITION	6,630,595	5,912,053	5,529,842
TOTAL LIABILITIES, DEFERRED INFLOWS			
OF RESOURCES AND NET POSITION	\$ 21,432,472	\$ 17,182,669	\$ 19,489,304

UTAH COUNTIES INDEMNITY POOL

STATEMENTS of REVENUES, EXPENSES, and CHANGES in NET POSITION Quarter Ended March 31, 2019

	Mar 31, 2018	Budget	Over Budget	% of Budget
OPERATING INCOME				
Contributions	\$ 1,691,158	6,761,783	(5,070,626)	25%
Investment income	113,542	200,000	(86,458)	57%
Other income	(8,088)	7,000	(15,088)	-116%
TOTAL OPERATING INCOME	1,796,611	6,968,783	(5,172,172)	26%
UNDERWRITING EXPENSES				
Losses and loss adjustment expenses	415,410	3,500,000	(2,580,997)	12%
Reinsurance coverage	427,953	1,900,000	(1,202,213)	23%
TOTAL UNDERWRITING EXPENSES	843,363	5,400,000	(3,783,210)	16%
ADMINISTRATION EXPENSES				
Trustees	4,809	55,000	(50,191)	9%
Depreciation	722	3,000	(2,278)	24%
Risk management	14,814	70,000	(55,186)	21%
Public relations	2,455	22,000	(19,545)	11%
Office	6,806	90,000	(83,194)	8%
Financial	25,201	100,000	(74,799)	25%
Personnel	187,146	765,000	(577,854)	24%
TOTAL ADMINISTRATION EXPENSES	241,952	1,105,000	(863,048)	22%
TOTAL OPERATING EXPENSES	1,085,315			
NET OPERATING INCOME	711,296			
OTHER INCOME EXPENSES				
Unrealized loss on marketable securities	7,245			
TOTAL OTHER EXPENSES	7,245			
CHANGE IN NET POSITION	718,541			
NET POSITION AT BEGINNING OF YEAR	5,912,053			
NET POSITION AT END OF QUARTER	\$ 6,630,595			

UTAH COUNTIES INDEMNITY POOL

STATEMENTS OF CASH FLOWS

Quarter Ended March 31, 2019

		20	2019		2018
CASH FLOWS FROM OPERAT	ING ACTIVITIES				
Contributions collected		\$	5,218,741	\$	6,602,701
Other fees collected			(8,088)		24,208
Reinsurance paid			(1,155,718)		(1,748,005)
Losses and loss expenses pa	id		(415,410)		(2,443,605)
Cash paid to employees			(181,482)		(745,623)
Other administrative expens			(54,085)		(296,622)
	CASH FLOWS FROM OPERATING ACTIVITIES		3,403,958		1,393,054
CASH FLOWS FROM INVESTI	ING ACTIVITIES				
Purchase of investments			244,907		(295,051)
Sale of investments			_		200,000
Investment income			119,182		323,898
Purchase of capital assets			-		88,238
r drendse or capital assets	NET CASH FLOWS FROM INVESTING ACTIVITIES	-	364,089		317,084
	NET INCREASE IN CASH AND CASH EQUIVALENTS		3,768,047		1,710,138
CASH	AND CASH EQUIVALENTS AT BEGINNING OF YEAR		11,913,616		10,203,478
CA	ASH AND CASH EQUIVALENTS AT END OF QUARTER	\$	15,681,663		11,913,616
RECONCILIATION OF CHANG	GE IN NET POSITION TO NET CASH				
Change in net position	SE IN NET TOSITION TO NET CASIT	\$	718,541		990,894
change in net position		Ψ.	, 10,2 . 1		3,0,0,.
Adjustments to reconcile change	e in net position to				
Depreciation			722		2,342
Interest on investments			(113,542)		(321,319)
Increase in equity in CRL			-		(39,775)
Net outflows of resources re	elating to pension		=		(66,796)
Unrealized gain on investm	ents		(7,245)		2,579
Accounts receivable			1,987		(1,987)
Prepaid expenses			(727,765)		(45,133)
Reserves for loss and loss ac	djustment expenses		-		374,688
Accounts payable	■ 000000000000000000000000000000000000		-		-
Accrued expenses			5,664		17,040
Contributions paid in advan	ce		3,525,597		480,521
Total adjustments			2,685,417		402,160
92			the variable section	a)————————————————————————————————————	2073 22002000 4444
NET CASH USED BY OPERAT	TING ACTIVITIES	\$_	3,403,958		1,393,054

PROPOSED BYLAWS AMENDMENTS

Equity members shall be included in the calculation of equity as described in the Agreement and these Bylaws. Non-equity Members shall not be included in calculations of, nor shall they have any ownership interest in, the member equity of the pool. Non-equity Members do not have a right to distributions of dividends, however non-equity Member status does not restrict those members from being included in distribution of dividends approved by the Board of Directors, and any dividend paid to a Non-Equity Member shall be at the Board's sole discretion.

- 4.5 Members shall also be classified as either:
 - (a) Voting; or
 - (b) Non-voting members.

Members which are counties shall be voting members. Members which are not counties shall be non-voting members.

- 4.6 Members shall meet at least once annually. A Membership Meeting may be called by the Board or President pursuant to a procedure to be established by the Board, or upon written request executed by at least 30 percent of the Members.
 - (a) Notice of any Membership Meeting shall be mailed to each Member at least 15 days in advance.
 - (b) The President, Vice President, or Secretary-Treasurer of the Board shall preside at the Membership Meeting or the President's designee if no other Officer is present at the meeting.
 - (c) A majority of the Voting Members shall constitute a quorum to do business.
 - (d) Proxy voting shall not be allowed.
 - (e) Each Member shall be entitled to one vote on each issue before the membership at any Membership Meeting, to be cast by its Representative or Alternate Representative if the Representative is unable to vote. The Representative and Alternate Representative shall be designated by the Member in accordance with Article 4.7(b) of the Bylaws.
 - (f) The location of Membership Meetings will be as determined from time to time by the Board.
- 4.7 Members shall have the obligation to:
 - (a) Pay promptly all contributions and other payments to the Pool at such times and in such amounts as shall be established in accordance with these Bylaws. Annual contributions are due on or before the first day of January of the applicable fund year. Members making payments, or portions thereof, postmarked after January 31 shall be charged interest calculated daily at two percent above the rate that the Pool would have earned if the contributions had been deposited with the Public Treasurers Investment Fund (PTIF), subject to a \$10.00 minimum late fee.

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	y				

Provision of Limited Loss Control Services Interlocal Agreement

This Agreement between the Utah Counties Indemnity Pool (UCIP), a Utah Interlocal Agency formed under U.C.A. 11-13-101 et. seq. and Utah County (County), a subdivision of the State of Utah, is entered into for the contracting of services in accordance with U.C.A. 11-13-202(1)(c).

Rationale for Contracting Services

WHEREAS, UCIP is an interlocal agency created by member counties to provide for the protection of member assets through joint self-insurance; and

WHEREAS, the interlocal Agreement creating UCIP also allows for the provision of risk management and loss control services to members; and

WHEREAS, UCIP provides access to on-line training videos under a contract with LocalGovU at a substantial discounted rate as a member loss control service; and

WHEREAS, UCIP has access to a surplus of training courses through its contract with LocalGovU; and

WHEREAS, Utah County wishes to access and utilize LocalGovU training courses as part of its risk management and loss control efforts; and

WHEREAS, accessing LocalGovU on-line training courses through UCIP would provide Utah County substantial savings; and

WHEREAS, each of the Parties hereto are public agencies as defined in the Interlocal Cooperation Act.

NOW THEREFORE, the Parties hereto mutually agree, pursuant to the terms and provisions of the Interlocal Cooperation Act, as follows:

1. Limited Membership

- 1.1. Pursuant to 11-13-202(1)(c) and 11-13-207 the Parties agree to enter into this Agreement for the provision of surplus services of UCIP to County.
- 1.2. UCIP agrees to recognize County in a limited membership capacity for the provision of limited risk management and loss control services consisting of access to on-line training courses under UCIP's contract with LocalGovU.
- 1.3. This Agreement does not contemplate the creation of a separate legal entity to provide for its administration and none shall be required.
- 1.4. This Agreement does not contemplate a need to acquire, hold or dispose of any real or personal property.

2. Provision of Services

- 2.1. UCIP shall provide County access to the LocalGovU on-line training system including courses available to UCIP under its contract with LocalGovU and the administration system for assigning, tracking and documenting training conducted on the LocalGovU site.
- 2.2. County shall provide UCIP estimates of training courses to be accessed by County on not less than a quarterly basis to assist UCIP in the administration of its contract with LocalGovU and to assure UCIP has prepaid or otherwise made arrangements for an adequate number of courses to be available to County.

3. Compensation for Services

- 3.1. UCIP shall invoice and County shall pay to UCIP an annual membership contribution of \$3,000 to access the LocalGovU system through UCIP's contract with LocalGovU, payable within 30 days of the date the Parties enter into this Agreement.
- 3.2. UCIP shall invoice County monthly for on-line training courses accessed by County and its employees, at a rate of \$5.00 per course.
- 3.3. County shall process and make payment on invoices submitted under 3.2 within 30 days of the invoice date.

4. Effective Date, Term and Termination

- 4.1. This Agreement shall commence on the date each of the Parties files a fully executed copy of this Agreement with each Party's keeper of records in compliance with U.C.A. 11-13-209, or May 1, 2019, whichever is later.
- 4.2. This Agreement shall remain in effect for one year, unless terminated by either of the Parties in accordance with the termination provision(s) of this section.
- 4.3. The Parties may agree to extend this Agreement for successive periods by amendment to this Agreement.
- 4.4. Either Party may terminate this Agreement by providing the other Party 90 days written notice of their intent to terminate the Agreement.

5. Warranties of Parties

- 5.1. Each Party represents and warrants that it is a public agency or public entity within the meaning of the Interlocal Cooperation Act and Governmental Immunities Act.
- 5.2. Each Party represents and warrants that it is duly authorized to execute and deliver this Interlocal Agreement.

6. Documents on File

6.1. Executed copies of this Interlocal Agreement shall be placed on file in the office of the keeper of the records of each of the Parties and shall remain on file for public inspection during the term of this Interlocal Agreement, and in compliance with the Governmental Records Access and Management Act of Utah.

7. Amendments

7.1. This Agreement may be changed, modified or amended by written Agreement of the Participants and by complying with all applicable requirements of the Interlocal Cooperation Act.

8. Laws of Utah

8.1. It is understood and agreed by the Parties hereto that this Agreement shall be governed by the laws of the State of Utah both as to interpretation and performance.

9. Severability of Provisions

9.1. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby if the remaining Agreement conforms to the terms and requirements of applicable law.

10. Captions and Headings

10.1. The captions and headings herein are for convenience of reference only and in no way define, limit or describe the scope or intent of any sections or provisions of this Agreement.

11. Joint and Several Liabilities

11.1. Except as provided herein, no Party agrees or contracts to be held responsible for any claims against any other Party.

IN WITNESS WHEREOF, the Parties have affixed their signature hereto and join and give effect to this Agreement to be effective as of the date above stated.

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UCIP Membership Application Summary

Name of Entity: Multi-County Appraisal Trust (MCAT)

Sponsoring County: TBD

Type of Membership Applied for: Non-Equity

Enabling Statutes and Services Provided: Title 11 Chapter 13-County Appraisal Services

Risk Factors:

Property - \$30,000

Auto - \$0

Board -29

Employees - 0

Expenditures- \$2,602,360

Loss History - Unavailable

Additional Notes:

Proposed Liability Limits: \$3,000,000

Current Liability Limits: \$3,000,000

UCIP Annual Contribution: 29 Board Members-\$11,628 3 Board Members-\$2,610 1 Board Member-\$1,916

Current Insurance Premium: \$ N/A

Staff Recommendation: Staff recommends approving membership at the lower level contribution amount due to lower risk exposure.

AFFIDAVIT OF BRUCE ADAMS

STATE OF U	
COUNTY OF	SSE SALT LAKE)
Bruce A	Adams, being duly sworn upon oath, deposes and says:
1.	That the affiant has personal knowledge of the matters hereinafter referred to in this Affidavit.
2.	That the affiant, on or about the <u>18</u> day of <u>April</u> 2019, presided over a
meeting of the U	Jtah Counties Indemnity Pool Board of Directors, an open and public meeting within the provisions
of Chapter 4, Tit	ele 52, Utah Code Annotated, 1953, as amended.
3.	That a quorum of the Utah Counties Indemnity Pool Board of Directors was present and at least
wo-thirds of the	members present, voted to close the meeting pursuant to the provisions of Section 52-4-2, Utah Code
Annotated, 1953	s, as amended, for the purpose of discussing the character, professional competence, or physical or
nental health of	an individual.
4.	That the affiant was present throughout the meeting and, pursuant to the provisions of Section 52-
4-205(1)(a), the	affiant does hereby affirm that the sole purpose for closing the meeting was to discuss the character,
orofessional con	npetence, or physical or mental health of an individual or individuals.
FURTH	IER, Affiant saith not.
DATEI	O this day of, 2019.
	BRUCE ADAMS, President Utah Counties Indemnity Pool
On the	day of
who, af	ter being by me duly sworn, deposed and said that the information contained in the above and
foregoi	ng Affidavit is true and correct.
	Notary Public SONYA JOAN WHITE Comm. # 700333 Commission Expires May 4, 2022 State of Utah My Commission Expires: 5/4/2022



Notary Public SOPYA JOAN WHITE Commission Expires May 4: 2022 State of Utah



April 2, 2019

Pages: 1

TO:

Johnnie Miller, CEO, UCIP

RE:

Garfield County Cyber Attack Claim #: GAR0000032019 Date of loss: January 7, 2019

There are three types of losses to consider in this claim:

 Expenses: These include, Software restoration and upgrade, database upgrade, new software, new servers, new hard drives, processors, and computers with labor costs of \$19,125 for a grand total of \$34,028.00

2. Ransom: \$4,200.00

3. CRL Cyber Expert Services: UCIP Covers

Korby Siggard, Claims Manager

UTAH COUNTIES INDEMNITY POOL

5397 S Vine Street|Murray, UT 84107-6757

801-307-2116 d|801-386-2468 d|435-608-4531 f

Follow UCIP on: Facebook | Twitter | Instagram | YouTube

COUNTES INDEMNITY POOL

CEO Report

April 16, 2019

UTAH COUNTIES INDEMNITY POOL

Historical Industry Financial Ratios

	2014	2015	2016	2017	2018
Net Premium to Surplus (200% or lower)	135%	112%	91%	95%	75%
Retention to Surplus Ratio (10% or lower)	11%	%8	2%	2%	%4
Reserves to Surplus Ratio (300% or lower)	351%	258%	170%	182%	158%
Loss Ratio w/IBNR (100% or lower)	%08	%09	26%	28%	25%
Combined Ratio (100% or lower)	132%	109%	%66	%66	%66

UTAH COUNTIES INDEMNITY POOL

Historical Industry Financial Ratios

	2014	2015	2016	2017	2018
Net Premium to Surplus (200% or lower)	135%	112%	91%	%76	75%
Retention to Surplus Ratio (10% or lower)	11%	%	2%	2%	4%
Reserves to Surplus Ratio (300% or lower)	373%	258%	170%	182%	158%
Loss Ratio w/IBNR (100% or lower)	%99 %08	%9° 32%	56% 62%	28% 99%	25%
Combined Ratio (100% or lower)	132% 118%	109% 84%	99% 105%	99% 107%	%66

5 Year Expense Trend

5Y Loss Ratio at 12/31/18 102.7% (down from 104.7% at 12/31/17)

 Investment income and expense management have allowed for continued Equity growth

	2014	2015	2016	2017	2018	5Y AVG
Reinsurance	31.3%	31.0%	27.4%	26.1%	28.5%	28.7%
Operating Expense	21.0%	18.5%	15.4%	14.9%	16.3%	17.0%

Non-Equity Member Performance

Contributions more than doubled since expanding eligibility

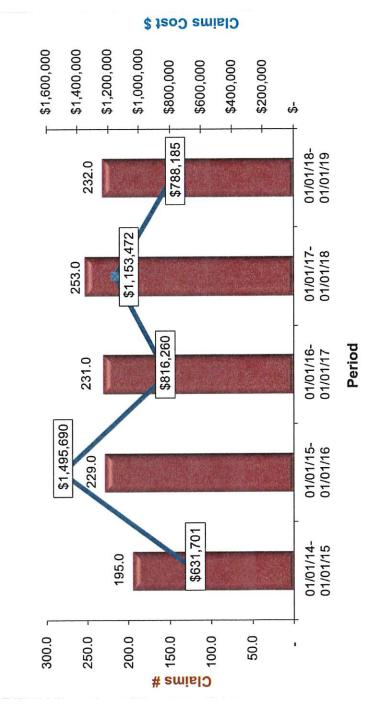
2014 = \$217,690

2018 = \$472,376

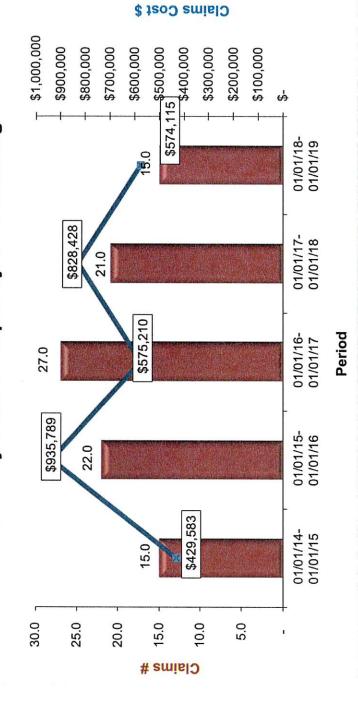
5YR Combined Loss Ratio = 95%

	2014	2015	2016	2017	2018	5Y AVG
Loss Ratio	4.1%	%6.69	8.5%	3.3%	139.3%	49.5%
Combined Ratio	56.4%	119.4%	51.3%	44.3%	184.1%	94.5%

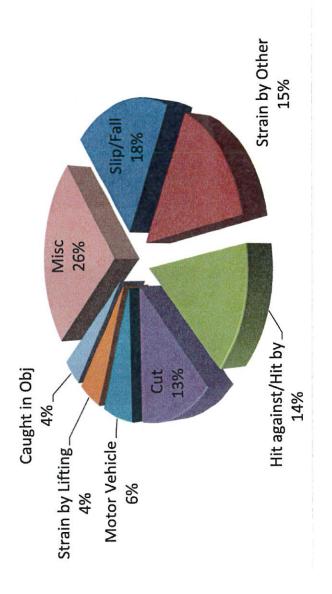
All Counties Claims Frequency/Cost Trending



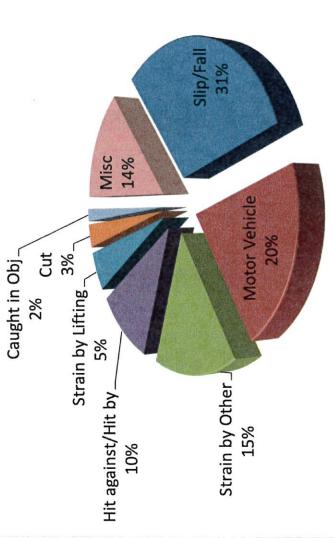
Indemnity Claims Frequency/Cost Trending



All Counties 5-Year Claims Frequency Breakout WCF Joint Purchase Program







Two-Year Comparison Frequency & Cost

2017 vs. 2018

\$2018		13K
\$2017	²	186k
2018#	28-7-504r200r40 <mark>8</mark> €r8	14
2017#	45-12-03-62-13-15-15-15-15-15-15-15-15-15-15-15-15-15-	27
County	Beaver Box Elder Daggett Duchesne Garfield Iron Juab Kane Millard Morgan Piute Rich San Juan Sanpete Sevier Uintah Washington Washe	Weber Human Services

Current Projects

- HB163 Sample Policy Development
- Strategic Planning Session Preparation
- Statewide Hotline Development
- Workshop Preparation
- 2020 Renewal Process

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UCIP Board of Directors Strategic Planning

Capitol Reef Resort, 2600 E Hwy 24, Torrey, UT

Wednesday, June 19

7:30 Breakfast

8:00 Activity, Location TBD

12:00 Lunch

1:00 Review of Key Policies

- Board Compensation
- · Board Meeting Rules of Order and Procedure Policy
- Coverage Addendum
- · Internal Accounting Controls
- Reimbursement

Review of New Policies

Pre-Loss Legal Assistance Program

Board Member Training

- · Fiduciary Responsibilities of a Board Member
- · Open Meetings Act

5:30 Dinner, Location TBD

Thursday June 20

7:30 Breakfast

8:00 Planning Session

Management Reports

- · Claims
- · Financial
- · Equity/Loss Ratios/Profitability
- · Rating

Committee Reports

- · Audit
- Education
- · Law Enforcement
- · Litigation Management
- Personnel

Strategic Plan

- · Mission, Goals and Objectives
- UAC/UCIP Relationship
- Coverages and Services
- Work Load (Staff, Board, Committees)

12:00 Lunch

1:00 Activity, Location TBD

5:30 Dinner, Location TBD

Friday, June 21

7:30 Breakfast

8:30 Board Meeting

11:00 Lunch

